

# **ROSARIO'S RECENT STORY AS REGARDS INNOVATION**

Floriani H., Martínez de San Vicente I., Tamburrini M.C., Landucci D.

## **INTRODUCTION**

This paper wants to contribute to the discussion on the Congress theme by presenting a particular Case Study: the story of Rosario (Santa Fe Province, Argentina) as regards the matter of innovation and, specifically, the problem of producing "spaces for the creative economy". The Case is presented both as an experience already lived by this community and in terms of challenges to be faced by it.

The general hypothesis that guides the paper is this: in the developing world –more than in other environments- major cities, and particularly metropolitan areas, appear to have a special capacity to become innovative *milieus*. In this type of settlements there seems to exist a synergy that stimulates the flourishing of innovation, regardless of the existence of explicit policies in that respect; but usually policies contribute to the enhancement of this virtuous phenomenon.

The Rosario Case fits absolutely in this definition. This city, core of a metropolitan area, has carried out since the 1980's a process of innovation which has allowed it to become a point of reference both at the national and the regional (supra-national) levels. Both public policies and private sector initiatives are behind that process, which ultimately has generated a particularly attractive environment for the location of a diversity of projects.

The paper tries to bring into relief, in the first place, Rosario's achievements in its attempts (not always conscious or "programmatic") to produce innovation. In order to do that, the city's history is reviewed, identifying later the specific modes that the local innovation process has adopted. After that, and relying on the definition of that "asset" of experiences, an attempt is made to draw lessons in relation to the challenges faced by Rosario. And in a wider perspective, answers to the following questions also are sought through this presentation:

- Which is the value and the meaning of expressions such as "creative economy", "creative city", and "innovation" in a developing society?
- Which is the concept of "development" from which the problem should be faced and the Case analysed?

Needless to say that the answers sketched to these questions help to focus more accurately the problem, evaluate more precisely Rosario's experience, and better identify the challenges that are ahead.

## **AN OUTLINE OF THE CITY'S HISTORY**

The origins of Rosario as an urban centre of some relevance in the second half of the XIX century are linked to this city's role as the "gateway" of a vast region in the newly created Argentine Republic. That role was made possible, firstly, by the natural conditions of the Paraná river in that point, which allows to carry out port activities almost without any prior investment; and soon after, by the development of an important railroads network, having in Rosario its "hub". Such role as one of the Nation's main gateways was closely related to the role of the country as a whole: to be a world-provider of meat and grain. It was in this context that the intense growth of Argentina's economy between the end of the XIX century and the beginning of the XX century was accompanied by the extraordinary growth of Rosario's population, the increase in the commercial importance of the town, and the steady consolidation of its infrastructures.

Rosario's first years after its declaration as City in 1852 were characterized by an "explosive" growth: between 1869 and 1914 –that is, in less than fifty years- its population went up ten times<sup>i</sup>, and in the twelve following years –from 1914 to 1926- it grew 79%. The population –mostly European immigrants, attracted by the advantages offered by national and provincial population policies- was occupied in the production and provision of very diversified goods and services for a vast hinterland, quite dynamic at the time as a consequence of the "wakening" of export-oriented agriculture.

Throughout that "foundational" stage, Rosario specialized as an international commerce centre. This means that already at that early stage there was a clear pre-eminence of tertiary activities, although highly dependent upon the primary activities carried out in Rosario's hinterland, which were the real engine of the whole process. At the same time, industrial activities started to develop also, mainly to answer the local demand of consumption goods and to partially transform some primary products (sugar and meat industries, for instance).

The infrastructure needs based on this role of Rosario in international commerce were satisfied by foreign investment: French in the case of the port, mostly English in the case of railroads. These railways, linking the grain-producing hinterland to the port in downtown Rosario, were at the origin of the first urban conflicts: tracks and yards would interrupt in several points the normal continuity of the city, blocking some possibilities of expansion and accessibility.

Towards 1926 the symptoms of that "pathological" development were already evident. Several conflicts showed the exhaustion of profitable areas within the central city, as well as the existence of pressures in favour of a structural reorganization of its "backbone" systems (port, railroads, city-and-regional roads network). The first real General Plan<sup>ii</sup>, produced between 1929 and 1935, was born out of the will to make of Rosario a *modern, hygienic*, and –specially- *beautiful* city. Even though it was practically not implemented at all, this Plan made a decisive contribution to the identification of certain problems and to the definition of the ground for future debates.

Later on, in a second stage of the Nation's economic life –characterized by the "import-substitution" industrialization, initiated after the 1930 crisis and continued until the 60's- Rosario successfully adapted to the new situation, and developed a stronger industrial role. In this process, previous stage "assets" –*hard* and *soft*- were decisive to get "in tune" with the new scenario.

During the 40's, the nationalization of the railroads and the port made possible a greater connection between the technical and the political spheres. The "Plan Rosario"<sup>iii</sup> was the principal expression of the new conditions: it emphasized the technical *and* political dimensions of planning, and it attempted to connect urban development strategies with regional and national development strategies contained in the five-year plans of the Peronist government. The "Plan Rosario" proposed a substantial transformation of the infrastructure system, the reconstruction of railroads installations, the clearing of the central port, the opening of a longitudinal regional road system, and the drainage of the basins of two important streams in the region. At the same time, industrial districts were created, and more strict regulations regarding urban sprawl were sanctioned.

This period marked strongly Rosario: it was during that time that a paved-road network –with Rosario as a "hub", again- was formed; and, also, it was then –particularly towards the end of the 1950's- that Rosario's metropolitan dimension started to be noticed, mainly as a consequence of the particular traits of this new and stronger industrialization. In fact, while typical previous industrial enterprises –small and medium in size- located normally within the city's boundaries, later industrial plants –usually bigger in size and related to foreign

investments- started to locate beyond those boundaries, along the northern metropolitan axis, with its important mobility infrastructure.

The 1955 revolution, with president Perón's overthrow, affected seriously the planning process. A long period of scarce public investment started then, with an extremely slow expansion of the sewage system and paved streets, the deterioration of port and railroads installations, and the emergence of a new phenomenon: the occupation of public land with "emergency settlements" (slums) by migrants from poorer areas in other provinces and in neighbouring countries.

The planning policy promoted since 1966 –under a new military regime- made only some adjustments on the already existing planning instruments, and went ahead in very few concrete realizations. The so-called "Regulatory Plan" of 1968 was completely based on the "Plan Rosario", even though it introduced some changes on the restructuring of railroads, roads network and port, and made some new considerations regarding the functional organization of the city.

The 1970 decade in Rosario's region –and in the entire Argentina- was characterized by a shift from the "regulatory planning", with its generalized use of zoning, to the application of "macro-plans" and the creation of some kind of metropolitan institutions. This new type of plan was formulated –at least, theoretically- from a dense number of interdisciplinary analysis, and with little attention to the spatial components. On the other hand, the generalist approach of metropolitan organisms made them lose attention for the micro-urban aspects of planning. Perhaps as a reaction to all this, but surely also because of the scarce experience in a democratic urban management, the first 80's were characterized by contextual and fragmented interventions, postponing the elaboration of more global development strategies.

Only with the return to democratic institutions at the end of 1983 the new municipal administrations faced the task of "paying" the heavy social debt accumulated during those previous years. The provision of basic infrastructure, public facilities and urban greenery, and the reuse of railways and port areas for other urban destinations, constituted then the main "sectors" of an intense planning and design activity. These actions –that changed quite deeply the image of the city- were characterized by a peculiar continuity through diverse local administrations (even pertaining to different political parties). Rosario became then a national point of reference as regards planning activity in democracy.

In the meanwhile, however, the city's economic basis had been passing through severe transformations. Ultimately, that development model based on the "import-substitution" strategy –with a dense system of small and medium-size enterprises producing for the city and its dynamic hinterland- did not continue. Its interruption can be dated around the middle of the 1970's. But before then some signs of stagnation expressed the exhaustion of that way to development: in 1974 the number of employees in industry was the same as in 1955, and the number of industrial firms was 25% lower. In the following years things got worse: 1985 measurements showed a decrease of 14.5% in the level of occupation in industry and of 13.6% in the number of industrial plants (both, *vis à vis* the 1974 figures); and in 1994 the same two variables showed a decrease (in relation to the 1985 levels) of 29% and 25% respectively. Moreover, such a bad performance in the "historic" regional industry was not even slightly compensated by some growth in other economic sectors (namely, the agro-industry and the whole services sector). The evidence of this is in the evolution of the proportion of the population having labour problems (unemployment *plus* under-employment): while between 1974 and 1980 the figure for that was around 10% of the economically-active population, in the following decade it raised until the 15%, and during the 90's it got well over the 20% (reaching the 30% in two semi-annual measurements).

Recent studies on metropolitan Rosario's labour market<sup>iv</sup> show a steady tendency to growth in unemployment during almost the entire last quarter of a century –from a level of between 4 and 5% at the end of the 70's to more than 24% in 2002-, starting to change the sense of that tendency only in 2003. The series of figures during that "dark" period reveal fluctuations and remarkable peaks; which were, on one side, related to national and international events, and on the other side, expression of a greater instability and sensibility of Rosario's region *vis à vis* other major urban agglomerations in the country. According to the same studies, this was in part due to local public employment's impossibility to mitigate the effects of the loss of private jobs –Rosario is not provincial capital nor the seat of any political power other than the local administration-; and in part, due to the existence within the regional productive system of a significant number of highly vulnerable small-and-micro enterprises (which also happen to be capable of a quick recovery; and this, in fact, is in part what explains the more recent better performance of occupation indicators).

It must be clear that the crisis that characterized Rosario's region during a significant part of the last three decades was, firstly, a by-product of the end of the socio-economic paradigm that prevailed in Argentina for over four decades and under which Rosario had acquired a significant role; and secondly, a consequence of the extreme difficulties to adapt creatively and successfully to the new scenario determined by the radical economic restructuring that was initiated in the late 70's and taken much farther and deeper in the 90's. In fact, a new paradigm developed in the last decade of the XX century, much more market-oriented and much less dependent on State intervention than the previous one. Under its influence, the Nation's economy presented evidence of a fairly good performance in several fields; but the regional economy did not do as good: notwithstanding the significant development during those years of the agro-businesses, and particularly those related with soybean production and processing –an activity for which Rosario has become a world reference-, labour and social indicators of the region were continuously getting worse. Naturally, the collapse, at the start of the new decade, of most basic economic institutions<sup>v</sup> did only complicate ultimately the regional situation.

The hypothesis here is that a number of innovative initiatives –carried out by different actors during several years, without any coordination and not being the expression of any explicit policy- "paved the way" for an improvement of the general situation, that would start after the extreme crisis of 2001-2002. The following paragraph tries to present those initiatives; but before going to that a reference must be made to the region's *strategic planning* experience, that help to "put together" those different contributions.

Towards 1995 a sort of "strategic planning era" started in the region, in part influenced by the international diffusion of Barcelona's experience. These attempts consisted of a rather generic call for participation in the formulation of a "desired city", and not enough effort was done to make compatible the proposals with real development demands and with resources of any kind to make those proposals become reality. However, a positive evaluation must be made of those experiences.

The following features were identified in them, and particularly in that carried out by the central district (Rosario City):

- An important public-participation process, although not sufficiently rooted in real decision levels of society, which has diminished the initiative's power as planning tool.
- A tremendous capacity for the formulation of programmes and projects, but not selective enough, which did not help to establish an effective link between resources (public and private) and the Plan's previsions.
- A significant –and perhaps appropriate- interest for the *image* of the Plan and for its presence in the *media*, but leaving too much aside a pragmatic and utilitarian approach characterized by the interest on the actual *attainment of results*.

- An emphasis on municipal autonomy, but showing some level of disengagement from larger perspectives, in an atmosphere of enhanced localism and competition among administrative units of the same integrated urban area.

However, and despite its limitations, Rosario's strategic-planning experience has made a valuable contribution to the maturation of consensus-building attitudes, and this has helped to create the conditions to better profit from different innovative initiatives.

## INNOVATIVE INITIATIVES

### ***Technological development and the “new economy”***

The first activities aimed at the creation of an institutional support for the development of the “new economy”, based on the Technologies of Information and Communications, go back to 1998, when these intentions were included in Rosario's Strategic Plan. Two years later, a small group of three local enterprises, together with the City Administration and Rosario National University, formed the “Rosario Technological Centre”. At the same time, and also with the support of the University, the Municipality and the local branch of the National Research Council, a “Programme for Productive Innovation and Technological Transfer” was launched with the intention of promoting technologically-based enterprises (TBEs). These two institutions –the Technological Centre and the Incubator of Enterprises- became then the promoters of a new Technological Park.

Given the importance of the agricultural sector in Rosario's region, and given also the growing importance of biotechnology, all actors involved in this initiative –private and public- in 2003 converge into the decision of creating some institutional framework for the generation and transfer of knowledge in this particular field (biotechnology). This is the origin of the “Rosario's Scientific and Technological Park” project, to be developed on a strategic spot of the city, where University Centres, the local branch of the National Research Council, and other institutions related to science and technology develop their activities.

As for the project's financing, the first thing to notice is that *risk capital* –the “classical” source to finance this type of activities- is scarcely developed in Argentina. Moreover, the acute crisis of 2001-2002 produced a deep loss of credibility of the whole finance system. Within this context, the financing of these initiatives depends on the type and size of the enterprises.

In the first place, the TICs based enterprises willing to participate of the Sc and T Park start with their own capital, usually quite moderate in size. Besides that, some support is obtained from the Public Sector in order to facilitate the export of the enterprises' products. The situation regarding the activities related to biotechnology is somehow different, because the amount of the required start capital usually is quite more important: in this case, the financing sources span from international institutions (Inter American Development Bank, for instance) to national agencies specifically devoted to the support of this kind of activity.

The objectives pursued with this initiative can be summarized as follows:

- Enhance Rosario's role as a point of reference for knowledge and innovation
- Develop an innovation system articulating the existing capacities (universities, R+D centres, enterprises, local governments)
- Develop a culture of innovation
- Improve training in scientific and technological areas
- Make grow the number of Sc + T innovative projects and that of patents
- Create new TBEs and universities “spin-off's”
- Improve the entrepreneur capacity

- Add value to traditional production through technological innovation
- Diversify the regional economy
- Develop employment in scientific and technological activities
- Contribute to the development of an entrepreneur atmosphere in the region
- Create new spaces for training and leisure related to science and technology
- Revitalize the city in urban and economic terms

What follows is a synthesis of the indicators of the advancement of this initiative:

- The very question of Sc + T based development has been placed in the attention of the general public
- The Park project has received international support, and has been included in Rosario's planning instruments (Strategic Plan and Urban General Plan)
- All partners –private and public- are financially committed in the elaboration of the Park's Strategic Plan
- The number of enterprises associated in the Rosario Technological Centre has grown from 3 to 32, and the installation of TBE's in the Incubator of Enterprises has started
- The project of a building to host the enterprises of the Park and the Incubator is being developed
- The Spanish and Argentinean Governments have agreed the creation of a Bi-national Centre for Vegetable Genomic, to be part of this project

### **Rosario's Development Agency**

This Agency has been created as an instrument for the management and the promotion of the economic and physical development of Rosario's metropolitan area. Its mission is to create a "favourable environment" for development and to contribute to generate a new entrepreneur culture based on public-private collaboration and on innovation capacity. The principles under which this mission is expected to be fulfilled are: agreement, growth, productivity, competitiveness, equity, and sustainability.

The Agency's main tasks are:

- to offer specialized and qualified services to enterprises, specially small-and-medium-size ones
- to take part in strategic actions aimed at the improvement of the *milieu's* quality and the regional attractiveness
- to coordinate promotion policies
- to establish cooperation and coordination links with entrepreneur's organizations, research centres, universities, and ngo's

The services offered by the Agency may be divided into two categories. The first one consists of the support to small-and-medium-size enterprises in general, and includes counselling regarding

- access to financing
- participation in the international commerce
- improvement of the products' quality
- participation in a project for an Industrial Park

The second category refers to the assistance granted to specific initiatives, through the use of different Projects and Programmes, such as

- a cooperation project between Italy and Argentina for technical and financial assistance to micro enterprises
- a programme aimed at consolidating micro enterprises through the facilitation of the access to financing and to technical assistance, with the condition of the direct involvement of social organizations

- the "Hands-to-Work Programme", focused on unemployed families' needs, providing financial support to start new productive activities
- a programme created by associations of cooperatives, labour unions and other social organizations with the intention of contributing to the development of the social-economy sector through interaction and complementation

This initiative –born, like the prior one, in the 1998 Strategic Plan, but implemented only since the year 2000- has contributed to the innovation of local society, through the generation of a more contemporary entrepreneur culture.

### ***New forms of production in the “social economy”***

The increase in unemployment and poverty and the growing social exclusion has obliged Rosario's Administration to take a greater responsibility as regards social policies and local development. It is within this framework that the Municipality has set up between the late 90's and early 2000's two programmes –with social, economic and physical implications- aimed at producing an improvement in quality of life of poor sectors and in the opportunities of social inclusion for them.

Such programmes are:

- (a) *Crecer* ("to grow"), established in 1997 to contribute to the development of community and family kitchen gardens, in which 18.000 families are involved at the moment; and
- (b) *Urban agriculture*, created in 2002 to promote the social integration of male and female members of vulnerable families, through participatory and collaborative forms of production, commercialisation and consumption of healthy food obtained with environmentally sound techniques (almost 800 gardens, created with this purpose, have been registered since the beginning of the programme).

The crisis that hit Argentina and Rosario at the end of 2001 and the beginning of 2002 reinforced the importance of the programme already functioning (*Crecer*), and made the second programme (*Urban agriculture*) become a very effective response to the emergency. In the following lines the attention will be focused on the newer initiative.

This programme depends heavily on Rosario's Municipality –both for logistics and for financial reasons-, but it is also supported by other public agencies, that contribute with know-how as well as with funds for seeds, tools and infrastructure. The main objectives –already attained, actually- of the programme can be summarized as follows:

- The inclusion of poor families in a circle of collaborative economy recognized by society, and which consists of a production network formed by the interaction between the community kitchen gardens and the fairs that are organized in different public spaces in the city.
- The regularization of the activities –otherwise informal- through the intervention of the City Council, that grants the involved families the right to use some vacant plots for the production and sale of vegetables and other agricultural products.
- The incorporation of urban agriculture as a tool of physical planning through the definition in the city's General Plan of some parks, actually formed by kitchen gardens, to be created in different strategic “empty” areas of the city.
- The improvement of the living conditions of poor families, both in the physical and the social dimensions (that is, in their environment and in their sense of belonging to some kind of social network).

The activities already done, or being done, are the following:

- The installation of the gardens
- The commercialisation of the products in five weekly public fairs

- The development of different associated enterprises (like some “social urban agro-industries” for the processing of vegetables, for the production of natural cosmetics, or for making tools and other inputs for the gardens)
- The training of human resources and offer of technical support at the various stages of the production and commercialisation process
- The implementation of the “parks” through the kitchen gardens

The results attained so far are remarkable. Rosario has become the leading city in Argentina as regards this kind of initiatives, involving an important number of families and retrieving quite a few abandoned plots of land, that otherwise would have been misused. As for the indicators of the “success”, different numbers –of kitchen gardens, of families involved, of gardens integrated to the commercialisation network, of persons that have been trained– speak clearly of the importance of this initiative.

### ***Physical transformations in the coast***

Rosario's riverfront has an uttermost importance for the city in multiple respects, and particularly in two. On the one hand, it is here where the river has realized its potentiality as *port*, and this is an essential factor –a genetic one- in Rosario's history, since port activities are among the principal *founding forces* of this urban centre. On the other hand, the coast –the long line where the city meets the river- has become a factor of identity, due to both symbolic and functional reasons.

The history of Rosario's riverfront –that is, the history of the way in which the different social actors have used the coast through time- teaches us much about the city's history as a whole. The appropriation of that border as a natural, spontaneous port during the first half of the XIX Century; the construction of some primitive port facilities in the second half of that same Century; the design and building of a new “national” port at the beginning of the XX Century; the recognition of the conflicts that such activities produced in a so markedly central position; the formation, in the second half of the XX Century, of a wide consensus about the convenience of moving the port away from downtown and recycling the old structures into a “container” for cultural and leisure activities; all this, in the end, tends to identify with Rosario's history.

At the moment, the meaning of Rosario's waterfront can be summarized as:

- A strategic piece to position the city in the international arena
- A scene of past and present cultural, civic, and leisure-time activities

During the last twenty years –that is, since the return to democratic institutions in the early 1980s- different city administrations have acted in the framework of that consensus just mentioned. This is how a very large number of actions –related to management, to the elaboration of projects, and to the execution of works- have been implemented, with a remarkable impact on the transformation of the riverfront. Those transformations –that make a contribution of “innovation” in different respects- will be presented briefly in the following paragraphs, being organized into two categories: the change of destination for the “old” port and the development of a “new” port.

#### ***a) Reuse and recycling of downtown port facilities***

The change of destination for the original port facilities in the central riverfront were first proposed in the 1960s, slightly implemented right after, and firmly executed since the early 1980s. The result of all these changes is a *continuum* of three parks with different names and diverse physical and functional characteristics, but actually forming a single linear park spanning for over four kilometres.

The first move in this direction was the “Park of Spain”, designed by Bohigas, Mackey and Martorell in the early 1980s as the conclusion of a joint initiative from the Spanish community in Rosario, the Spanish Government, the Argentinean Government, and Rosario’s City Administration. This Park also houses a Cultural Centre, that has become an essential facility in the cultural scene of the city and its region. The second phase of this project was executed in the mid 1990s, and a third phase is being executed at the moment (2004-2005). The whole project allows to grant completely the direct public accessibility to the river in the central city, to improve considerably the disposal of public facilities in that area, and to retrieve from decay and abandon some heritage buildings related to old port and railroad activities.

Following the “Park of Spain” to the south is the “Flag’s Park” (named after the National Monument that celebrates the creation of the national flag there in 1812). Actually, the origins of this Park is prior to the transformations discussed here; but what matters now is the qualification and enlargement process that is being applied to it. This Park is considered the most important civic and symbolic spot in the city. The intervention now being executed consists of integrating into the Park some areas and buildings –previously recycled- that used to be involved in the old central port’s activities. What this operation seeks is to define a contemporary city image in that crucial area through the redefinition of uses and meanings of mostly existing structures.

Right to the north of the “Park of Spain”, instead, there is a completely new “Park of the Communities” (referring to the diverse National Communities that form modern Argentinean society). This is the last step in the general strategy aimed at transforming the downtown riverfront from its previous destination for port activities to a new condition of a system of public spaces. This Park, in fact, completes this system to the north, proposing a long, open balcony to the fluvial landscape, with some cultural and leisure-time facilities.

### **b) Rosario's new-port development**

The strategy of liberating the central coast of all uses related to the port was accompanied by the decision to move this kind of activities to the south, given the importance of this facility in Rosario’s history and in the city’s economic, social and cultural life. Different context conditions, though, determined a period of stagnation for Rosario’s Port. It was not before the early 1990s that a new impulse arrived: in 1993, in fact, under a national policy for decentralization, a new autonomous local port authority was created. Simultaneously, regulatory norms were established to make possible the concession of port operations to private enterprises.

All this created the conditions for the birth of a new vision for Rosario’s Port. A Master Plan was designed, and a concession granted to an international company for the operation of the multipurpose terminal. Future development is bound now to the capacity to attract freights; which is quite possible, given the relative advantages of these facilities: a privileged position in the national and international mobility network, the dredging of the Paraná river (to enlarge its traffic capacity), the steady growth of international commerce.

## **CONCLUSIONS**

What have these initiatives given to the *innovation* of Rosario’s society, to the development of Rosario’s *creativity*, and therefore, to the development of a *creative economy* for the City? Moreover, what teachings does this experience leave regarding the challenge of moving ahead in the path of innovation, generating more opportunities for a *creative economy*? This last paragraph of the present Case Study intents to answer these questions.

At this point some precision must be tried as regards the real meaning of *innovation* and *creativity* in this context. Some would consider Argentina a developing country; others, an underdeveloped one. But leaving aside this dispute, it is evident that the conditions here differ from those prevailing in developed, industrialized, more mature environments. Perhaps the main difference lies, more than on the difference in *per capita* rent, on the serious problems of social and spatial segregation, of lack of integration. And this poses a very pressing demand on the elaboration of answers to those problems.

In this context, *innovation* and *creativity* must be seen from a wider perspective: it is not only a matter of scientific and technological development –although this is certainly part of the solution– but also a matter of *inventing strategies and tactics to integrate, to overcome segregation*.

The three types of actions that were presented in this Case Study express that wider perspective, show different ways of producing innovation and being creative. The experience related to technological development and its contribution to the “new economy” represents a rather canonical way; certainly less advanced than those experiences found in “first world” capitalist countries, but still effective in its contribution to economic modernization and development. On the other extreme, the experience related to alternative forms of production in the “social economy” shows a type of action that seeks modernization and development –that is, innovation– through *direct* intervention on everyday life of the urban poor. Finally, and between those two types of experiences, the physical transformation on Rosario’s riverfront presents a type of action that seeks innovation through (a) the improvement in the population’s quality of life (thanks to the provision of public facilities of different kinds), (b) the improvement of the city’s image, outwards as well as inwards (generating both more attraction and more self confidence), and (c) the improvement in the economic performance of the city and its region through the concretion of a more efficient port system.

All three types of actions express a rich, and yet discreet, experience by Rosario’s community in the search of innovation as a means to achieve a more developed society; that is, a society with more chances to fulfil its potentials in more balanced social conditions.

---

<sup>i</sup> The National Censuses of those years registered 23.169 and 222.592 inhabitants respectively.

<sup>ii</sup> There had been an attempt before, in 1911, when the French planner Bouvard was commissioned to “draw” a plan for the young city; but the result was, in fact, little more than a “drawing”, with practically no effect on the real city.

<sup>iii</sup> Also known as “Plan Montes”, after the name of its main intellectual author (Alberto Montes).

<sup>iv</sup> J.L.Pellegrini’s presentation in a Seminar on “The Employment in Rosario” organized by Rosario’s Strategic Plan and CIDEU, April 2002.

<sup>v</sup> In December 2001 all bank deposits were frozen and international financial assistance was suspended; a severe political crisis followed immediately, and *default* was declared on the public debt. In January 2002 the monetary system suffered dramatic changes (exit from convertibility, devaluation) and bank accounts restrictions were tightened.