

Tlaquepaque and Tonalá Artisans and Location In the Integration of Global Markets ¹

Alejandro Mercado Celis*



Photos by Alejandro Mercado

Tlaquepaque.

THE GLOBALIZED WORLD AND LOCAL ALTERNATIVES

Today's economic and cultural phenomena of globalization remit us to a discussion about space in human societies in the early twenty-first century. Much of the discussion is linked either directly or indirectly to problems like the relationship between the local and the global, the emergence of supra-territorial spaces —like cyberspace— or the significance of local and natio-

nal governments given processes with no precise territorial reference point.

Within these processes of change, the role played by geographical space in today's economy has been reinterpreted. As we know, one of the most notable characteristics of globalization is the enormous mobility of both finance and productive capital. The globalization of productive or manufacturing capital at the command of a huge multinational corporation has become the symbol of the times.² Seen only in relation to these actors, globalization means space is less important for economic life; that is, different locations

may be chosen for setting up a particular production process. If we take this as true, the role of national and local governments is to artificially differentiate their territories in order to attract investment. They talk of tax breaks, political stability, low wages, a good business climate, infrastructure, etc. The reader will surely remember the official discourse in Mexico that aims to encourage foreign investment as a way to insert the country in the globalized economy.

Nevertheless, globalization is much more than this simplistic idea of development. Contemporary capitalism is

* Researcher in the CISAN Mexico-United States Studies Area.

also a product of the 1980s crisis of Fordism and the emergence of flexible technologies and forms of organization. In the paradigm of flexibility, producers' geographical proximity is fundamental. In different parts of the world, what are known as "industrial districts" have been set up, industrial systems concentrated in a particular locale, made up mainly of networks of small and medium-sized companies. This way of organizing production has made for outstanding economic performance and a great capacity for participating in international markets.

Most of the best known examples of industrial districts are located in developed countries and are comprised of high-tech sectors; this is the case of Silicon Valley³ or the Hollywood movie industry in California.⁴ There are, however, dynamic industrial districts formed by traditional low-tech industries. The example of this known the world over is the third Italy.⁵ While Third World countries do have systems similar to those described in specialized literature,⁶ they are on the sidelines of official economic policy.

The central argument of this essay is that the local dimension has not been erased by globalization; to the contrary, it continues to be of primary importance for the economic organization and performance of flexible productive systems, and is therefore a unit of analysis and conceptualization necessary for understanding the broad processes of globalization. I will look at the specific case of the artisans' districts of Tlaquepaque and Tonalá, historically one of the country's most important concentrations of craft and decoration production. The district covers a wide area with its hub and



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coordinating center in the municipal seats of Tlaquepaque and Tonalá, although it also includes direct links with the city of Guadalajara, the municipality of Zapopan, and above all, with the municipality of Chapala. It is important not only because it is similar to European districts, but also because it has consistently been a source of exports, with highs and lows, for at least the last 20 years, the period for which information is available.⁷

I will try to dilucidate the characteristics of the district that might explain its export capability. This is related to more general debates about the role of geographically agglomerated industrial systems in globalization and, in particular, to the role of low-tech industries. Secondly, I will furnish elements for the debate about whether globalization brings with it a process of homogeneity in which local economic communities tend to adopt practices and technologies that make them similar to other communities around the world, or whether, to the contrary, globalization reinforces or

encourages the particularities and differentiation of these communities.

The essay is divided into two sections. First, I will summarize the most important aspects of the discussion about flexibility and small companies and their ability to participate in today's economy. I will also look at the main characteristics of the industrial districts that have been examined in a great many case studies. Then, I will introduce theoretical elements that make it possible to study the sub-national region as the basic unit for economic coordination of contemporary capitalism. The second section will present the research results in the concrete case of Tlaquepaque and Tonalá.

GLOBALIZATION AND SPACE

Post-Fordism

After World War II, the most important form of organizing production which spearheaded the growth of the world economy was Fordism. Companies that



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followed the Fordist model were large because they incorporated a series of inter-linked activities and were able to generate large volumes of production thanks to their standardized products. Their organization was based on segmenting work and having highly specialized machines carry out simple, specific operations. Most of the workers carried out simple operations requiring little skill. This kind of functioning requires stable mass markets.⁸

This production model went into crisis in the 1970s due to a sharp increase in international competition and to the fact that previously stable markets began to fragment and became very volatile. With this, the advantages became disadvantages. The need for large investments with a long-term return, specific machinery that could be used for only a few tasks and dependence on economies of scale do not jibe well with changing, fragmented international markets. This characteristic of the products forced an important industrial restructuring with the aim of establishing organizational and technological forms that

would make it possible to rapidly respond to the fragmentation and volatility of markets. In a word, the aim was to be flexible.⁹

Today, many forms of flexibility exist side by side: from large companies that combine flexible and Fordist technologies to conglomerates of small companies whose size and interaction with each other allow for both internal and external flexibility. It is this last variety that occupies us here.

The debate about the small and medium-sized company has a long history and has been the source of a great number of studies. However, it was not until the early 1980s that conceptualizations about these kinds of companies changed radically. Until then, studies that focused on the company itself had predominated, and in general its place in the economy was explained as a stage in the evolution of such companies or as production processes that had been relegated to highly specialized market niches, therefore not very likely to generate economies of a scale sufficient for growth. Lastly, it was also

emphasized that small companies were satellites of large ones, once again taking over those processes that could not be incorporated into the contracting companies.¹⁰

Industrial Districts

The change in the analysis and conceptualization of small companies has moved toward recovering and reformulating Marshall's proposal of not seeing the small firm as isolated from the rest or only in relation to large companies. That is to say, in some places agglomerations of small companies taken as a whole represent a profound division of labor and, when they operate at the same time, function like a "large factory" but with external instead of internal relationships. In fact, the name "industrial districts," as these agglomerated systems are called, come from Marshall's 1879 *Economy of Industry*.

In summary, today, an industrial district is defined as: a) a group of small and medium-sized companies geographically agglomerated which b) have a dense network of interaction based on both market and non-market relations, through which there is an intense exchange of goods, information and people; c) these agglomerations present a common sociocultural context to which the economic actors belong, allowing them to interact in accordance with practices, customs and written and non-written rules that facilitate the coordination of the system, and d) generally, the economic actors are supported by public and private institutions.¹¹

According to Camagni, these systems have the following advantages, among others: external economies of

both scale and variety are created,¹² as well as economies of proximity which significantly reduce transaction costs; and perhaps most importantly, a series of synergies are generated in the district, that is to say, innovative capabilities are increased through the flow of information among local actors, between them and institutions and the other actors who participate in the system.¹³

The last point has been best developed by Michael Storper, who asks about the meaning of sub-national regions in a globalized world. According to Storper, “the most general, and necessary, role of the region is as the locus of what economists are beginning to call ‘untraded interdependencies’, which take the form of conventions, informal rules, and habits that coordinate economic actors under conditions of uncertainty; these relations constitute region-specific assets in production. These assets are a central form of scarcity in contemporary capitalism, and hence a central form of geographical differentiation in what is done, how it is done, and in the resulting wealth levels and growth rates of regions.”¹⁴

In this globalized world, some regions lead or considerably influence global processes. On the other extreme are the regions whose fate is practically determined by these processes alien to their space and community. Storper’s considerations are fundamental for understanding the possibility of generating endogenous development processes based on the intangible capabilities and resources of a particular place. From this point of view, it is the non-commercial interdependencies and intangible resources that a geographically concentrated community has that ultimately can change its insertion in glob-

alization. However, these resources are perhaps the most difficult to create in an economy and, for that very reason, the scarcest. We are not talking here about investment in physical infrastructure, or even in service provision, but rather practices, customs, forms of perceiving and interpreting, aesthetic identities and other factors. These resources are built over long periods of time and through repeated interaction. Therein lies their being confined to a specific territory.

In the next section, I will analyze the case of Tlaquepaque and Tonalá as an industrial district with similari-

ties to cases observed in other parts of the world and which represents an alternative form of economic integration into the United States and of participating in globalization.

TLAQUEPAQUE AND TONALÁ A DECORATION INDUSTRIAL DISTRICT

In economic terms, “folk art seems like an activity of those on the margins of society, not a possible source of development, but rather the result of the lack of options in backward areas.”¹⁵ The image of Tonalá and Tlaquepaque is different because of the constant production and commercialization. The number of producers and commercial areas has increased considerably, reaching around 2,000 today.¹⁶ Unfortunately, I cannot be more pre-

cise about the figure given the great informality in the district and the lack of data, but I must say that probably there are more. Most people work in family-run micro and small workshops; their technology goes from the use of traditional methods to basic machinery. With regard to design, the district can boast of artisans known internationally for their originality and quality, at the same time that it has imitators whose work is sometimes of low quality.

Given these characteristics, how can we explain their participation in foreign markets? One possible expla-

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nation could be the successful individual, the case of a craftsman-turned-entrepreneur, or the exceptional artisan recognized internationally. While there are cases of this kind in the district, this accounts for only a small part of exports. Not only unique, high-quality, original products are exported, but also work of different qualities and styles, even some which is not recognized as of Mexican design. I think the district and the advantages of producing there can be best understood if we look at it as a whole, a collective in which everyone plays a role, whether consciously or unconsciously. Viewed in this way, Tlaquepaque and Tonalá are an industrial system, with the complex organization that has generated quite interesting abilities and collective competitiveness. The following are some of its facets.

1. *The Conformation of External Economies of Scale and Variety*

Although historically the only products with identifiable roots in the area are the ceramics from Tonalá and Tlaquepaque's clay figures, today, a great variety of products and techniques can be found there, all of which have been incorporated into the original nucleus of the ceramics. They are so firmly rooted that it could be thought that they originated there. Tlaquepaque's glass expansion began only 30 years ago; a Mr. Camaraza from Spain introduced

It is also interesting how some of the producers and artisans who have introduced these products and techniques come from other states and even other countries, particularly the United States, which says something both about the capacity for assimilation and dissemination of local craftspeople and the district's attraction for artisans from elsewhere.

In this geographic concentration we find a wide variety of products and techniques, which are even greater in number if we consider that each product, style and design produces work

tors external to the individual company, and therefore leave out essential factors. Equally, industrial policies that try to support small businesses almost always suffer from the same limitation; they emphasize support for internal and not external questions. Subsidies, credit supports to the producer, technological assistance or loans to modernize, etc., are all policies and instruments oriented to internal aspects of firms. There is no reason to be surprised when, despite financial support and technological modernization, small companies cannot solve chronic problems of access to foreign markets. While it is easy to criticize policies that conceive of small firms as individual entities and not components of a system, we should also point out that generating external economies of variety and scale is a complex process. It could even be said that when they do not exist at all, even in initial stages, it is impossible to achieve them.

Conventions, informal rules and habits that coordinate economic actors under conditions of uncertainty constitute region-specific assets in production, a central form of scarcity in contemporary capitalism, and hence a central form of geographical differentiation.

red glass. The furniture that today has achieved great renown can be traced to the store and workshop Antigua de Mexico which 28 years ago was very successful with its line of reproductions of furniture from Mexico's haciendas. In terms of techniques, just to name one, Jorge Wilmont, from Monterrey, and Ken Edwards, from the United States, introduced high-temperature fired ceramics with animal designs typical of Tonalá. More recently, new techniques and products have been incorporated, like rusted clay and wrought iron, which have rapidly achieved popularity in the district. Blown glass, red glass, wooden furniture, carved sculptures, work in stone, papier-mâché, wrought iron, wax and many other applications and materials have been added to the district's production at different times, each time generating waves of expansion.

of different quality and price. Although the producers work on a small scale and therefore do not have the capacity to produce great volumes of work, all the individuals taken together do. The great diversity in supply derived from specialization and the incorporation of new products also generates important external economies of variety not found in other regions of Mexico. When asked why they come here, foreign buyers say, "Here you've got everything."

The external economies of variety and scale are the heart of successful industrial districts in other parts of the world and they have snatched important markets away from large companies and even from multinational corporations, at least for certain periods. Traditional analyses do not take into account the importance of these fac-

2. *Industrial Organization*

As I have already said, the district has a profile of micro and small firms. However, a series of companies act as coordinators of groups of small producers. For example, according to interviews with most of the stores in Tlaquepaque that sell both wholesale and retail they contract out to producers, often with an exclusive relationship in the area. This makes it possible for a series of producers to sell through a single brand, which does the marketing, thus facilitating market recognition and product promotion. One of the extreme cases is that of Billy Moon, a Mexican-American designer and producer who lives in Ajijic and exports large



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volumes through a direct link with 700 workshops. It should be clear that Moon is not an intermediary. He buys all these products and in his workshops different finishes are applied. This is how a great variety of articles are marketed under a single brand name.

It is also important to add that contracting out is not only the result of entrepreneurial strategies; one of the reasons that several companies have given up their attempts to incorporate production processes is because many artisans strongly resist waged labor, preferring to work independently. This is very important because, when there are no local traditions of resisting corporatization of small workshops, this kind of production tends to be eliminated through cycles of industrial concentration. In the Tlaquepaque-Tonalá district, the opposite occurs: small workshops continue to spring up and proliferate, many of them when workers strike out on their own or through the encouragement and support of medium-sized companies that prefer to contract out their production.

3. *How Is Export Effected?*

In addition to these companies that coordinate groups of producers, the district has another actor fundamental to understanding its export activities: the “consolidator,” whose importance lies in facilitating the links between small producers and small foreign buyers. It is a transnational relationship between small economic units, a breath of fresh air in this globalized world dominated by the great multinational corporation.

This came about as an answer to a transport problem. Small foreign buyers, with their low-volume purchases, suffered considerable increases in transport costs. For that reason, the consolidator took charge of bringing together a group of small buyers by destination, whether it be different countries or cities, and consolidating full containers.

But the consolidators also fulfill other fundamental functions. In the first place, they act as a sort of “cultural translator.” Just as the different

languages of buyers and producers must be interpreted, so must a series of habits and local practices which are unintelligible in international markets. The consolidator “translates” these practices and acts as the intermediary to conciliate different customs. These practices are related to questions such as:

- the informality of contracts;
- forms of negotiating;
- forms and times of payment;
- the definition of quality;
- and the negotiation of the characteristics of the product to be delivered, etc.

Just a rather amusing example: local producers tend to push back the delivery date, therefore putting themselves in the wrong, while foreign buyers expect that the delivery date will be complied with. How does the consolidator deal with this? Very easily. He/she gives producer and buyer different delivery dates; this way the agreed-upon delivery date can go by and there is still breathing space to pressure the producer, who will end up making the delivery after the date he/she agreed upon, but in time for the buyer.

In addition, the consolidator also guarantees the different parties that agreed-upon schedules, quality and payment will be respected by developing his/her own portfolios of clients and producers. Without that trust and mutual knowledge of the particularities of both sides to the bargain, the relationship would very probably fail, as we have seen happen in other craft-producing regions of the country.

The consolidators are also promoters. They conduct tours for buyers, introducing them to producers and

promote the new products that from time to time appear in the district. Lastly, they also act as information filters when they communicate the particularities of small localized foreign markets. When this information is taken into account, they are facilitating the acceptance of the products in export markets.

This actor can help us a great deal to understand the deficiencies of government policies aimed at encouraging exports. Without their intermediation as negotiators, the relationship tends to fail, but state policies to promote exports ignore this point altogether. While state programs are important for promoting products abroad, the difficulties appear when the time comes for actual sale, when government support disappears. It is also interesting to note that government policies to assist small firms have tried to form organizations that in theory would perform functions similar to those of the consolidators (known in the jargon of economic planners as “integrating companies”). The idea is to create links and relations among small companies that would allow them to act together. And it is a good idea, but when these relationships do not arise in a historic process in which trust is generated, the results tend to be very limited. In the case of Tlaquepaque and Tonalá, as I have already mentioned, these actors have appeared thanks to an evolutionary process of agglomeration itself. Their prolonged existence has made it possible through repeated encounters and a continual process of trial and error to build groups that act in the economy with a certain cohesion and ability to collaborate.



One characteristic of this district is its flexibility in responding to aesthetic changes and market demands.

4. *The Collective Production Of Styles and Designs*

In the decoration industry, design—form and aesthetics—has the same importance as research and development in other industries. It is the essential element for competitiveness, with price coming in second place only within the margins that accept originality and quality of design and product. On volatile, fragmented international markets, keeping the same design can be dangerous. Not adapting to trends and fashions recognized by emerging markets can leave the producer out of the game. Also, those who not only follow or adopt fashions, but are also capable of creating them—that is of being the pioneers and inventors of new trends—are the ones who take the lion’s share on international markets. In the decoration industry, design is key for understanding economic behavior, in terms of both success and failure. In the case of Tlaquepaque and Tonalá, some factors favor

and reinforce collective processes of design. However, there are also contradictions and weaknesses in the system that have impeded the district’s full development.

We should begin by pointing out that, historically, the district has displayed great pragmatism in adapting its designs and styles to changing markets. And this counters the preconceived idea that artisans do not change their forms and designs, or that they are the guardians of the most profound roots of Mexicanness. This idea leads to another: that they are not conceived of as potentially innovative, and at the same time they are rebuked for showing “external” influences in their designs and forms. All external influence is classified as destructive. On this matter, Alfonso Caso, the famous Mexican archaeologist, said, “Folk art [should] never be interfered with by providing models or improving the artist’s inspiration. Any intervention, even by the most cultured and best educated persons, must, in the long run, produce

the decadence of folk art.”¹⁷ Thus, the influence of the external, be it from Mexican intellectuals, designers or foreign buyers, is considered destructive. From this point of view, globalization is expressed in these communities of artisans, creators of folk art, as the degradation of everything original and different. As we have observed in this district, however, this is not always the case.

As I mentioned before, the artisans of Tlaquepaque and Tonalá have always been subject to external influences. The origin of Mexican folk art, as we all know, is the meeting of two cultures, the indigenous and the Spanish cultures. From its very inception, it has been a mix. Without going into any depth into the long history of folk arts in this region, we should emphasize that one characteristic, at least of the Tlaquepaque and Tonalá district, has been its flexibility in responding to aesthetic changes that for one reason or another the market has demanded. Salvador Novo said that, “During the years before the World War in Europe [and the Revolution of 1910 here at home, is that not right?] it was the fashion for all houses to have, if not genuine Louis XV furniture, at least a Viennese set, and busts of Trianon, Venetian mirrors, Chinese dragons, Baccarat crystal for the table settings [?], Persian rugs and reproductions on the walls of the Gioconda and her aunt. Everything cultured to the utmost, everything most foreign, remote and overseas as possible. That is the origin of the fact that [ah, most terrible, fatal event] when Tlaquepaque’s potters saw that their models were not successful and did not sell and that, by contrast, everyone wanted Moors’ heads for their hallways, large, exotic china jars and languid

maidens for their parlor console-tables (Dante in the desert and Mephistopheles muzzled), they proceeded to make them; and we still see them amongst the citified junk of the houses fitted out with a parakeet, a piano, a maid, debts and a son studying for the bar.”¹⁸

What Salvador Novo reports is relevant in two ways. In the first place it reveals the pragmatic response of the Tlaquepaque craftsmen to the decorative fashions of the national market. In the second place, he says that Mex-

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icans appreciated foreign, exotic things; at the same time, foreigners to a certain extent demanded the same, that is, the foreign and exotic. For that reason it is not strange that the district should have been exporting for a long time now. In fact, Carlos Monsiváis says that it is only with the effervescence unleashed by the revolutionary state and its nationalism that folk arts were recognized in Mexico. Until that time, only a few conservative families and foreigners had been interested in the beauty of Mexican crafts.¹⁹

One more anecdote. During the construction of the revolutionary state and the rise of the aesthetic recovery of what was “authentically Mexican,” the muralists, particularly Dr. Atl, went to Tonalá and invited the potters to include archetypes and symbols of the indigenous peoples in their designs.

It is not my intention to say that what is produced in the Tonalá-Tlaquepaque district lacks originality or tradition. Quite to the contrary, many aesthetic forms and their techniques have remained more or less unaltered for long periods. The important thing is that the district has always been flexible about the demand of styles and designs; old forms have been preserved and new ones incorporated, in accordance with ideological zigzags and what the domestic and foreign markets demand.

Today, interesting processes of pro-

duction and dissemination of styles and designs exist. On the one hand, the geographical proximity of the producers, but also the constant change of workers from one workshop to another, of the commercial areas where the pieces are shown, and the transfer of orders from one workshop to another, all make the rapid dissemination of successful products possible.

There is also feedback. In this diversity of producers, one sector is constantly contributing to the other; reinterpreting what is seen in the district is a constant source of models for everyone. However, I should add that an important number of the producers I interviewed do not design; they market their ability to imitate or make the model that is asked of them, even if it means copying their neighbor’s product or reproducing an item made in India.

The producers who participate most actively in design are in different markets. Classified more or less in a reductionist way, we can clearly see four segments of producers in different kinds of markets:

1. The segment formed by groups of specialists in traditional folk art who maintain very high quality and originality, as well as those who only make unoriginal, low-cost, low-quality replicas.

2. A second group is made up of artisans and producers considered lead-

consumption, the taste for what is different, hand-made products, particularly in the markets for the decoration industry, all reflect the cultural changes that encourage the reaffirmation of difference through consumption.²⁰ But, at the same time there is a demand for the aesthetic of the familiar and the universal, both in small and mass markets.

In the decorations markets we can see it clearly:

- On the one hand, the demand for standardized products persists, but

The consolidator “translates” a series of habits and local practices which are unintelligible in international markets and acts as the intermediary to conciliate different customs. He is a sort of cultural translator who guarantees quality, schedules and payment.

ers in design, whose work is not necessarily a reflection of traditional styles but does have the distinctive mark of its producer.

3. A third segment consists of those whose designs and styles are more universal or not identified with local traditions.

4. The fourth is made up of those who only offer their productive capacity. I should point out that I do not intend to evaluate their work as negative or positive since the four segments together generate positive results for everyone.

Now, how are external influences and pressure expressed? The discussion about globalization and contemporary capitalism emphasizes that, on the one hand, the fragmentation of markets and growth of demand for non-standardized goods, the increase in individualized

at the same time there is a demand for hand-made, craft products.

- Just as there are more or less stable markets, many are volatile and demand a continual change of the product, which may happen several times a year.
- As there is a demand for design, familiar or universal aesthetics, there are also those who seek ethnic products, identifiable with a particular community.

So, from the point of view of demand, we see that external markets reinforce different segments of the district, whether it be those that make traditional, hand-made products, or those that offer products that cannot be identified with a local style, those that are highly specialized, or those that only have their ability to produce to offer.

Another way in which contact with external markets has an impact —particularly on products in middle-quality sectors— is through the continual absorption of elements from the outside. That is a particularity of the district. Everything is negotiable: size, form, color. Thus, there is an incorporation of what is demanded particularly abroad and, given the characteristics of the district that have already been pointed out, these elements disseminate rapidly and are finally reinterpreted locally.

Participation in international markets has also brought with it international competition. This means that some of the district’s products have been copied in other countries, but products from other countries are also copied in the district. We can see ceramic pieces made in Asia that seem to be from Tonalá and objects from Tlaquepaque that are similar to work done in India. International competition has also driven prices down, bringing pressure to bear on costs, particularly in the segment of producers whose work is easily reproduced or similar to that done elsewhere. This means that those who want to buy a piece made in Tlaquepaque can find it in other places in the world, and perhaps at a lower price. This is even more serious for medium- and low-quality products and those with no special design.

Unfortunately, this downward pressure on prices is magnified internally. Just as there are forms and institutions that create conditions propitious for the reproduction and expansion of the district, we also encounter contradictions and weaknesses that, combined on occasion with external pressures, become more severe. It is important to underline that, conceptually and taking into account empirical references,



Before the Revolution, only a few conservative families and foreigners were interested in Mexican crafts.

the producers can be differentiated by their ability to produce and design. Those who excel in quality and design are well-known, their names become the product's brand name and they fare better dealing with the market pressure to decrease costs. By contrast, the remainder suffer from pressure from intermediaries and constant haggling over price. As Monsiváis says, "What is redundant [about folk art] (folk being "of the folk", the people) is or course, a condemnation: if the distinctive thing about it is its anonymous nature, the creators called artisans will be the "spokespersons" of instinct, with the inevitable unfair wages this implies and the miserly prices that, then, as now, are harmful to the process itself. 'Folk art, why did you give in to a riot of color?'"²¹

Unfair competition exists in the district because there will always be a producer who needs and is willing to sell cheaper than the rest. The vicious circle in which both Mexicans and foreigners participate and only a few of the artisans has been able to avoid, is perhaps the

most immediate and most difficult problem to solve because it is magnified on the international level. On the international market, competition to reduce production costs is not among the residents of Tonalá, but among underdeveloped countries; there will always be some that need and are willing to sell more cheaply than the others.

As far as I was able to observe, locally there have been no attempts to change this circumstance that affects many but not everyone. This is due to several factors: in the first place, there are no coordinated efforts for design creation, nor a consolidated community of designers who could collectively facilitate more producers' accepting these kinds of efforts. In the second place, the situation is also a reflection of a series of failed collective ventures in which specific groups appropriated the organization for their own benefit. The district also suffers from a series of inequalities in political and economic power that facilitate and foster the exploitation of the weaker producers.

I will finish up with a question: Should one type of demand take precedence over the others, and therefore displace one or more of the segments of producers from the area? In other words, for example, will the segment that offers its production capabilities (the segment most susceptible to modernization) dominate the traditional segments and the designers?

My impression is that, until now, diversity continues to dominate, and that some external factors reinforce this tendency. However, this could change at a moment's notice given the instability of the markets and international competition. Just as a particular type of craft product may be in great demand, the following month that demand might disappear. I think that the loss of any component would be bad for the whole; an appropriate policy for the area should use this heterogeneity as its starting point and aim at realizing each segment's potential and attacking the contradictions each one generates. However, the idea in vogue is that everything has to be modern and must use cutting-edge technology to compete abroad. Sometimes these national policies can be more destructive than international markets.

Is it possible that Mexico could use this kind of industry as the basis for its development? While a country of the complexity and size of Mexico could not depend on a single kind of industry or a single region to qualitatively transform its population's living conditions, it is also true that the alternatives for growth based on foreign investment in the maquiladora-type industry are questionable. I must say in favor of the type of industrialization in Tlaquepaque and Tonalá that in Mexico there are other districts with similar profiles

based on regional traditions and histories. To mention only a few, León, Guanajuato's footwear industry, is internationally known; Puebla's decorations industry; Guadalajara's jewelry industry; Mexico City's textile district; Oaxaca's and Michoacán's craft production; and many other examples with differing degrees of development and consolidation. If we return to the questions asked, I think that the choice is not between traditional industry or ultramodern maquiladora plants, but rather, includes a third option: accepting the possibilities and

limitations of both these and other forms of production.

The specific case of Tlaquepaque and Tonalá, despite being important for its exports, is far from being a totally desirable model. It presents serious limitations in terms of its economic impact—some of which have been pointed to here—particularly if we compare it to the Italian districts focused around the same type of industry that have become leaders in sectors as different as the manufacture of furniture and tools. Tlaquepaque and Tonalá are still far from dictating fashion and trends in

international markets and, therefore, far from the profits this brings. However, that should be the ultimate objective of any development strategy for this region. A first step would be to support the creation of a design center to provide not only access to subsidized designs, but also to relevant, timely information about international trends, styles and markets and above all, to help consolidate the design milieu. In other words, to face the challenge of globalization, we must create and support the local capacities that allow for a differentiation in international markets. **MM**

NOTES

¹ A previous version of this article was presented at the international seminar "The Manifestations of Globalization in North America" organized by CISAN in November 1999. A longer version will be published in the book compiled by Mónica Gambrill, *Globalización y sus manifestaciones en América del Norte*, currently at the printer's.

² Richard Kozul-Wright, "Transnational Corporations and the Nation State," Jonathan Michie and John Grieve Smith, eds., *Managing the Global Economy* (Oxford, New York: Oxford University Press, 1995).

³ Ann Saxenian, "Regional networks and the resurgence of Silicon Valley" (Institute of Urban and Regional Development, University of California, Berkeley, 1988, working paper no. 508, photocopy).

⁴ M. Storper, "The transition to flexible specialization in the U.S. Film Industry: External economies, the division of labor, and the crossing of industrial divides," *Cambridge Journal of Economics* (1989).

⁵ A. Bagnasco, *Tre Italie* (Bologna: Il Mulino, 1977); G. Bacattini, "The development of light industry in Tuscany. An interpretation," *Economic notes* 7 (Monte dei paschi di Siena) (1978), pp. 107-123; and S. Brusco, "The Emilian Model: Productive Decentralization and Social Integration," *Cambridge Journal of Economics* 6 (1982), pp. 167-184.

⁶ I will only mention a few articles that deal with industrial districts outside the developed world: R. Rabelotti, "Is there an 'industrial district

model? Footwear districts in Italy and Mexico compared," *World Development* vol. 23, no. 1 (1995), pp. 29-41; Allen John Scott, "Variations on the theme of agglomeration and growth. The gem and jewelry industry in Los Angeles and Bangkok," *Geoforum*, vol. 24, no. 3 (1994), pp. 249-263; L. Bazasn and H. Schmitz, *Social Capital and Export Growth. An Industrial Community in Southern Brazil*, discussion paper no. 361 (Institute of Developmental Studies, University of Sussex, 1997).

⁷ My study focuses on wooden and wrought iron furniture. I interviewed 100 heads of companies and workshops. But I also include samples from other sectors, covering almost 50 percent of the commercial district. In addition, I interviewed service providers and other agents and organizations linked to this activity.

⁸ Michael Piore and Charles Sable, *The Second Industrial Divide* (New York: Basic Books, 1984).

⁹ Ibid.

¹⁰ Patrizio Bianchi, "Industrial Districts and industrial policy: the new European perspective," *Journal of Industry Studies* 1, no. 1 (October 1993).

¹¹ R. Rabelotti, op. cit., pp. 29-41.

¹² R. Camagni, "Inter-firm industrial networks. The costs and benefits of cooperative behaviour," *Journal of Industry Studies*, vol. 1, no. 1 (October 1991 and 1993); A. J. Scott and M. Storper, "Regional development reconsidered," H. Ernste and V. Meier, eds., *Regional Development and Contemporary Industrial Response:*

Expanding Flexible Specialization (London: Belhaven, 1991), pp. 3-24.

¹³ Frank Pyke and Werner Senegenberger, *Industrial Districts and Local Economic Regeneration* (Geneva: International Institute for Labor Studies, 1992).

¹⁴ Michael Storper, *The Regional World. Territorial Development in a Global Economy* (New York-London: The Guilford Press, 1997), pp. 4-5.

¹⁵ Carlos Monsiváis, "Las artes populares: hacia una historia del canon," Antiguo Colegio de San Ildefonso, ed., *Arte popular mexicano. Cinco siglos* (Mexico City: Antiguo Colegio de San Ildefonso-UNAM, 1996), p. 15.

¹⁶ I have arrived at this figure from reading the directories of the Tlaquepaque, Tonalá and Chapala Chambers of Commerce, the Jalisco Association of Furniture Makers and the House of Craftsmen of Tlaquepaque and Tonalá.

¹⁷ Alfonso Caso, *América indígena*, quoted in Monsiváis, op. cit., pp. 17-18.

¹⁸ Salvador Novo, "Nuestro México" (July 1932), quoted in Monsiváis, op. cit., p. 17.

¹⁹ Monsiváis, op. cit.

²⁰ T. Frank and M. Weiland, eds., *Commodify Your Dissent. The Business of Culture in the New Gilded Age* (New York, London: Norton and Company, 1997).

²¹ Monsiváis, op. cit., p. 20.