

**Institute for Advance Architecture of Catalonia****MAA01 // Economics of Sustainability****Andrés Mora – G1****Final Assignment**

---

I am proud of my nationality, I am from Colombia. I come from this beautiful country full of amazing landscapes and so dynamic scenarios that offers a huge experience to their nationals. You will never get bored in Colombia, is an incredible unique country where most of our people have a very good heart and soul that work and enroll their lives towards the progress of our nation.

As any country in the world, Colombia had have a lot of issues that eventually have been overcome. We have become a very important and attractive country for first world countries and huge multinational companies in order to invest their capital. This money is being invested in the exploration and exploitation of natural resources (which is a humongous theme to discuss that will not be covered in this document), in research and investigation of our natural diversity, big brands and franchises want to set a landmark in Colombia because they are conscious of its exponential growth ant potential emergent country. One of the main characters, which is responsible of Colombia's success and evolution during the last years has been the Construction business.

There is no secret that any country or city that is developing needs to build up infrastructure, in order to be communicated with its immediate context and beyond. Therefore, many public or state construction sites are assembled, just because an emergent country needs infrastructure in order to expand and make the quality life of its national better. Many times the government or national big companies do not have the economic muscle to finance the design and construction of those big projects. That is the moment when foreign investors play a very important role in Colombian economic activity an even more in Colombian people lives.

Big public projects that involve an urban renovation or expansion demand a lot of money. The first step is for the government to input some money and organize their finances. With this capital, the government ask a public or private company to make all the studios and designs of the "New project". After the parameters of the project are set by the government, they create a competition for private companies to offer their designs and perspective of how the project should be constructed according to the previous parameters and demands. As the country is getting bigger and globalization demands a much better and efficient infrastructure (therefore public projects) the projects must be developed in less time with bigger quality standards. Meaning that if you want a huge project to be accomplish in the less amount of time possible, with high quality standard, you must input a very high of resources.

These resources do not only refer to money, but also technology, research, and most important human resources. Unfortunately high standard education in Colombia is not accessible for anyone. There is a huge socio-economical gap due, to the creation of "social classes". These social classes discriminate rich from poor. And education is part of that economic barrier; good education is only accessible for those who have enough economical resources, therefore the amount of high educated professionals is few. Even thou the educational level (of private, expensive schools) is decent, is not as good as globalization demands, meaning that each day new technology is release

and new techniques and design constructions are born in order to create and materialize better projects. These is the main reason of why professionals in Colombia, eventually decide to continue their educational overseas in universities and institutes which offer actual and contemporary techniques of design, construction and research. That is why I am at IaaC, I what to absorb as much information and education as I can, and eventually go back to my country and try to offer my knowledge to catapult architecture towards the future.

Now days even the new construction techniques and methods demands especial preparation from operators in order to manipulate the different machines and participate in new constructive methods. As big infrastructure companies are have entered Colombia they take with them their human resources from other countries, so that they manage the new construction techniques and technology that is involved in the construction of these projects. This has massive impact, in our economy, especially because it affects directly to Colombian people, because they are not able to get a job easily due to their lack of education and preparation in comparison with the foreign workers. Without a job there is not income at all for a whole family, and people begin to desperate in order to gain money for their families, then this is when crime, insecurity and informal work statistics climb up in the charts.

But not only the so called “poor people” or low socioeconomic classes suffer. Also medium and high class professionals and families look affected by the arrival of foreign companies. For example, now days in Bogotá there are a couple of economically strong private companies that are offering new attractive construction projects, that are supposed to be super fancy and will have all the facilities and count with the top technology, basically this are projects that will create a social, urbanistic and economical detonation on their surroundings and slowly spread progress and renovation through the city.

Leaving aside for a moment the public projects, I must highlight the reason why big construction companies in Colombia are developing such expensive housing projects in our territory. As Colombian economy has grown, its people’s acquisitive power has gone up, and therefore they may support bigger loans according to their incomes. The fact is that as Colombians are able to buy more assets, the set in their top priorities to buy and own their own house or apartment. As the demand for average apartments went up, companies began to build like crazy in order to supply the demand and offer different variations and economic deals and payments to absorb as much clients as possible. As the business was so good, very expensive projects began to appear in the market, and as few Colombians could afford to own a property in such expensive projects, companies began to create different variations and strategies to get the attention of that small portion of the market. One of the strategies these companies are using, is hiring big architects with an excellent reputation and famous projects around the world. For instance, Richard Rogers designed a Building for a Colombian company, which is being constructed in an exclusive area in Bogotá. The problem with this type of strategy further than making look incapable and taking away the job of colombian architects, is that to be able to buy a terrain in such strategic area, to cover such expensive fares for design and to concrete a building with all the requirement made by the architect, the company must charge astronomic prices to their clients. The immediate effect of this kind of decisions affects all the construction business and all the national “cluster” that are involve into it. Because the price of the materials, human resources, land and everything that has to do with a construction project goes up, and the only way to recover those expenses is to charge them to the future client. Then people

accept mortgages to pay apartmnts and houses with and incredible price and very average standars. For instance the Richards Rogers project is called "Vitrium" and they charge \$20.000.000 P/COL about \$7.000 USD per square meter, in a third world country.

What was written above, is the main reason to explain why the private and housing construction projects is going down drastically. The consequences of these is that many people losses their jobs as there are no projects to build. People who got into high interest loans will eventually lose their properties because they cannot afford it, and the banks will declare on bankrupt because they have to practically give away those properties in order to receive some money and try to lose as little as possible in comparison with the amount of money they originally gave to their clients for them to cover the high prices of their "new property".

The good thing about the construction business especially in a country like Colombia is that construction will never stop. Meaning that any developing third world country, will always keep creating public construction projects to expand their infrastructure. Off course many private companies that dedicated exclusively to housing or private projects will succumb. But there is still a chance for construction workers, in order to get a job in their area of expertise. The only issue is that as it was commented before, most of these kind of projects are developed by multinational companies which have enough economic power to cover the construction expenses and they get paid in a long time arrangement with the government, we call this kind of contract "Contrato de Concesion". Is basically when a private company develops an entire project with their own resources and gain their investment and their economic benefit in certain amount of time. For example, if a construction firm develops a road, they will set a "fare cab", and all that is collected in those cabs will go to the company arcs through a period of 20 years.

This model of contract has already settled as the main way to avoid corruption in Colombia, because the state simply does not give money to anyone. The issue is that a companies input all the resources they think are the most suitable, they also involve foreign human resources. The only way to avoid unemployment and make our economy resilient and flexible is to get people more and more prepared. By improving our educational model and the education techniques; also education should be accessible for everyone, no matter if the person belong to high or poor social class. A less ignorant country will make us depend on no one eventually, we will be self-sufficient without having to beg for economic resources, or technical resources or even human resources from no multinational or foreign country; that way ours nation capital will stay in our country and invest in our self-improvement and investing in other international market, not giving away our goods and lands to foreigners.