Between CEAGESP’s permanence and transfer: critical notes based on the (re)production of São Paulo’s space

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Abstract

In recent decades, a possible transfer of the Agricultural Supply Center (CEAGESP) in the city of São Paulo, Brazil, has been the focus of discussion within the scope of the general transformations of the metropolis of São Paulo. This article aims to reflect on the underlying elements favoring such a transfer and sustains that an adequate understanding of its terms requires the perspective of the reproduction of the space of this metropolis. To do that, an analysis is presented by the crossing of two levels. The first is restricted to emerging processes in the surroundings of the Center in Vila Leopoldina, while the second concerns the production of a new metropolitan perimeter capable of allocating urban investments large enough for such a transfer. Finally, this interweaving is interpreted at the core of the repercussion of the capital’s exacerbated contradictions within the production of the São Paulo metropolitan space.

Keywords: metropolis; critical urbanization; CEAGESP; São Paulo; Mário Covas Beltway.

Entre a permanência e a transferência da CEAGESP: notas críticas a partir da (re)produção do espaço de São Paulo

Resumo

Nas últimas décadas, a localização do Entreponto da Companhia de Abastecimento Geral do Estado de São Paulo (CEAGESP) na capital paulista tornou-se objeto de discussão crescente diante das transformações gerais dessa metrópole. Este artigo propõe uma reflexão a partir de elementos subjacentes ao ensejo da transferência do armazém, apontando que a compreensão adequada de seus termos necessita da perspectiva da produção do espaço de São Paulo. Assim, apresenta-se o cruzamento de dois níveis capaz de apresentar o sentido da (re)produção da metrópole paulista na atualidade. O primeiro está circunscrito às imediações da Companhia frente a
Entre los últimos decenios, la ubicación del Centro de Abastecimiento en São Paulo (CEAGESP) en la capital paulista se convirtió en objeto de discusión creciente frente a las transformaciones generales de esta metrópoli. Este artículo propone una reflexión de los elementos subyacentes a la oportunidad de la transferencia del almacén, señalando que la comprensión adecuada de sus términos necesita la perspectiva de la reproducción del espacio de esa región. Así, presentamos el cruce de dos niveles para ilustrar la reproducción total de la metrópoli. El primero se circunscribe en los alrededores del Centro, frente a procesos emergentes en Vila Leopoldina; mientras el segundo se refiere a la producción de un nuevo perímetro capaz de asignar inversiones urbanas del tamaño requerido para dicha transferencia. Finalmente, este entrelazamiento se interpreta en el centro de la repercusión de las contradicciones exacerbadas del capital en la reproducción del espacio metropolitano de São Paulo.

Palabras-clave: metrópoli; urbanización crítica; CEAGESP; São Paulo; Anillo Vial Mário Covas.
Introduction

Understanding the transformations of the São Paulo metropolis in contemporary times requires recognizing the guidelines of a global movement of urban restructuring that updates it to the most general terms of carrying out the reproduction of capitalist social relations. In this sense, deciphering them involves incorporating an intellectual and theoretical journey in which the fragments of urban reality can be adequately grasped: it addresses recognizing the analytical inputs that the production of space offers to unveil the social reality in its essential contradictions.

The foundations and ramifications of this argument are numerous. From a range of authors, such as Henri Lefebvre (2013) and David Harvey (2013), this perspective gained bolder contours with the acknowledgement that the reproduction of capitalism, in its essential contradictions, was not achieved without producing a space suitable for its real abstractions. The contradictions of capital, intertwined with contradictions specific to the space, would be cornerstones for understanding social reproduction in the 20th and 21st centuries. This allowed us to recognize that the productive forces inherent to capital go beyond the strict production process; it is the produced space acting as and with the social productive forces of capital, being the condition and product of its reproduction. Thus, understanding capitalist social reproduction implies considering the specific territorialization necessary to replace its terms, of which the metropolis constitutes a compelling moment that allows us to reach the majority of contemporary social determinations behind metropolitan aspects and tensions.

It is within the framework of the intensification of contradictions inherent to capitalist formation that we must, therefore, understand the reproduction of the space of the São Paulo metropolis. The understanding of a critical and abstract movement of value taking place not only in but through the city itself, admitted as a commodity, is a requirement of current times, given the tensions triggered by the economic update of the metropolis. In these terms, the urbanization in process of São Paulo is necessarily carried out critically, an argument developed by Damiani (2008) that reveals the power of this urban setting dominated by the economy in its critical determinations through this urbanization.

The current moment, therefore, brings a series of profiles and particularities specific to the reproduction of the São Paulo metropolis capable of revealing the terms of this urbanization in its critical process. Countless possible fragments of a movement that aims to displace residents and uses, mobilizing portions of this territory to make urban businesses, increasingly linked to financial and fictitious capital. For this text, we start with a reading about the movement that seeks to move the São Paulo’s Agricultural Supply Company (CEAGESP), currently located in the Vila Leopoldina neighborhood, to another perimeter of the São Paulo metropolis, still under discussion. Even though the change has not been confirmed, the determinations surrounding this proposed operation reveal the general movement of the ongoing reproduction of this metropolitan territory.

In this article, we first outline general aspects regarding the CEAGESP transfer impasse and then seek to interpret them in light of the foundations specific to reproducing the space of today’s metropolis. Then, the text discusses the new conditions established in the Vila Leopoldina neighborhood, a result of the new place that the urbanization of São Paulo projects it to be. The
change in the location of Vila Leopoldina within this urbanization is linked both to the process of weakening its industrial condition and to its proximity to the modern centrality of the southwest vector of São Paulo. These elements make it a strategic territory for residential real estate development aimed at middle- and high-income strata. Finally, we encourage reflection that the impasse of CEAGESP’s location, in addition to referring to the transformations in its surroundings, driven by the end in itself through the production of space in search of valorization, also refers to the intensive and extensive spatial resizing in which the implementation of the Mário Covas Beltway is an essential landmark. This involves the consolidation of a large-scale strategic urban perimeter of the metropolis, used to carry out numerous potential urban businesses, such as the future implementation of a modern Supply Center. The argument signals that the mobilization of the metropolis for urban business acquires new scales and layers within the critical economic and, therefore, social reproduction through ongoing urbanization.

Between announcements and setbacks about the transfer of CEAGESP in São Paulo

At the end of 2019, Gustavo Junqueira, responsible for the State Department of Agriculture and Supply of São Paulo, celebrated the agreement between the state and federal governments to close CEAGESP’s operations in Vila Leopoldina. As one of the largest supply companies in the world, the Junqueira drew attention to the impossibility of the current facility to accommodate demand of people and goods and vehicles. To this would be added the impossibility of expanding CEAGESP activities in the current structure and difficulties in logistical access. Briefly, Junqueira claims that in addition to these reasons, its spatial rearrangement—leaving the expanded center of São Paulo—could result in a reduction in product prices, benefiting traders and consumers (JUNQUEIRA, 2019).

Junqueira’s speech, although subject to problematization of various degrees, brings elements that have been insinuating for more than two decades regarding a restructuring of Vila Leopoldina with the moving CEAGESP from its current location. Junqueira’s arguments, permeated by the liberal euphoria of the CEAGESP’s privatization, bring elements that are in vogue in the speech and the opportunity for the removal of its infrastructure in Vila Leopoldina. These elements have long been present in statements from the municipal, state, and federal governments and point to a relevant aspect of the ongoing and intended modernization of the São Paulo metropolis.

1 It is crucial to highlight that the transformations of São Paulo as a world city at the end of the 20th century required the necessary production of space suitable for the new urban economy that was being established. The southwest axis of São Paulo was consolidated as the centrality produced by this new movement, producing a new functional insertion in the metropolis in the condition of a “business axis” updated at the turn of the 20th century to the 21st. Regarding these transformations, Carlos (2007) richly presents the foundations and developments of the production of this modern centrality in São Paulo.

2 The possible privatization of the Company took shape with its federalization in 1997 when it was included in the National Privatization Plan (PND). After years of suspension of plans for its privatization, in 2019, with João Doria as governor of SP and Jair Bolsonaro as president, a propitious moment was created for an agreement signed by Junqueira regarding its handover to the private sector. However, after disagreements between the former governor and the former president, the announced privatization was again suspended.
In 2002, there were relatively advanced procedures for this privatization to be conceived. The project included, in addition to the transformation of CEAGESP into the São Paulo Integrated Supply Center (CIASP), studies for its transfer in the middle of the Western Section of the Mário Covas Beltway (COSTA, 2006), the first to be inaugurated. Close to the confluence with Raposo Tavares Highway, there was land under the ownership of the Housing and Urban Development Company of the state of São Paulo (CDHU), which would be destined to receive the facilities of the new supply company (Figure 1). In August 2003, CDHU signed the concession agreement on a precarious and free basis to the São Paulo Agricultural Development Company (CODASP). However, in a context of pressure from residents, legal difficulties in deforesting the remaining Atlantic Forest, and lack of interest from private bodies in the construction of CIASP, the process did not take place (COSTA, 2006) and the land was institutionalized in the form of an Urban Park in 2006, called TIZO Park.

Figure 1 – Location of CEAGESP and the area destined for its transfer in 2002

Elaboration: Prepared by the author

3 The TIZO Urban Environmental Conservation Park was established through state decree no. 50,597 of March 27, 2006. On March 5, 2013, decree no. 59,259 changed its name to Jequitibá Park.
To some extent, the macro-political situation may have contributed to the non-completion of the transfer of CEAGESP, as from 2003 onwards, Luiz Inácio Lula da Silva was elected president of Brazil and changed some projections concerning privatizations.

Gomes (2007) claims that until a particular moment, political-ideological motivations would be decisive in CEAGESP’s future, as it was during the government of Fernando Henrique Cardoso (1995–2002) that the privatization emerged with force and encouraged speculation about change of its facilities, enhanced by the explicit desire of the real estate market. There would, however, be a turn in another direction from 2002 onwards when Lula, from the Workers’ Party (PT), was elected president, impacting the future of CEAGESP, ceasing, at least momentarily, the opportunity for its privatization and the change of its infrastructures to the then newly built western section of the Beltway.

Although the effort for the transfer apparently lost steam after 2004, mainly due to the unfeasibility of the operation involving the area initially considered, in more recent years, this issue came to the surface, repositioning it to a prominent place, following the example of Gustavo Junqueira’s speech. Since March 2015, even with its withdrawal from the National Privatization Plan under the PT governments, the eagerness regarding its transfer from Vila Leopoldina has explicitly become one of the objectives of São Paulo’s municipal management, composing a strategic action and a necessary moment for the restructuring of the metropolis. The mayor of São Paulo, Fernando Haddad, one of the important members of the PT, claimed in March 2015 that the transfer from Vila Leopoldina constituted an “unavoidable project” as it would not make “sense that a land with that real estate value, with such a development potential being occupied by a warehouse, which could be in a better location, freeing up area for urban development” (MACEDO, 2015, free translation). About three months later, in June, the mayor signed the transfer agreement, announcing itself as a partner concerning the change of location and introducing new uses for the area (MACEDO, 2015).

Even though the transfer has not effectively taken place since 2015, it is observed that the political-ideological guidelines regarding the privatization or not of CEAGESP are not decisive to the point of suppressing the objective pressures that fall on its location. In reality, Fernando Haddad’s observation regarding the potential “real estate value” of the current area finds support in terms of the (re)production of the metropolitan space of São Paulo, materialized both in its most immediate surroundings, the Vila Leopoldina neighborhood, regarding new areas capable of receiving updated CEAGESP structures. The conditions established in the mid-20th century for the formation of the neighborhood changed significantly given the critical demands placed within São Paulo’s urbanization. For our exposition, below are notes regarding the new determinations about CEAGESP from Vila Leopoldina.
Vila Leopoldina: transformations in the face of metropolization

The Vila Leopoldina neighborhood presents a temporal-spatial inequality resulting from the different moments in which it was incorporated into the (re)production of the metropolis. Generally, numerous recent transformations in the neighborhood result from processes that reposition it within the metropolization of São Paulo. The following paragraphs present elements in this direction that dialogue with the purpose of this text.

In his discussion regarding the surroundings of São Paulo at the turn of the 19th century to the 20th, Langenbuch (1971) identifies the first—extremely modest—streets in Vila Leopoldina in 1914, like so many others with low construction density and spatially disconnected from the “properly consolidated city,” and remained so until the São Paulo plan of 1922 (LANGENBUCH, 1971, p.132). As the author points out, the formation of these subdivisions, even the distant ones, was part of the logic of real estate speculation that already anticipated the urbanization movement, as it was announced that “the city would soon reach the location” (idem, p.83).

At this moment, two elements mark the production of this space in the metropolis: the presence of the Sorocabana railway and the floodplains of the Tietê and Pinheiros rivers. While the former constituted a factor that contributed to a more effective occupation, especially after the opening of the Vila Leopoldina train station in 1931, the latter constituted difficulties for urban streets and uses, being marked by more dispersed and irregular the closer it got to the rivers, especially the Pinheiros, until the first half of the 20th century.

Rodrigues (2013) mentions that the pioneering project to subdivide the area was designed in 1894 by Richter & Company, whose formal recognition was established 30 years later, in 1924. Despite this time gap, the process indicates the “demarcation of a reserve area for future exploration that continued for decades” (RODRIGUES, 2013, p.100, free translation). At first, the road construction at the subdivision was partially carried out, covering the higher areas to the east and, therefore, further away from the Pinheiros River floodplains. However, these areas already had a designed layout, envisioned with the adaptation of the floodplains to urban expansion, an operation that, carried out from the 1950s onwards, significantly changed the place of Vila Leopoldina in the metropolis as a whole.

As Seabra (1987) draws attention, rectifying the bed of the Tietê and Pinheiros rivers made it possible to increase the productive force through the subsequent implementation of the Marginais [arterial roads]. The rational appropriation of the floodplains with the straightening of the rivers resized the neighborhood’s place in the ongoing metropolization, thus producing neighborhoods like Vila Leopoldina, capable of hosting parts of the industrial development at the time.

(…) the most significant thing this process indicates is that the floodplains, although having a natural existence, I stress, and therefore subject to episodic floods, already in the 1930s ceased to be “the worst terrain in the city.” Expansion processes of the city itself had already reached and encompassed them. In the 1930s, the city grew far beyond Tietê; the lands along Pinheiros were the subject of numerous and complex transactions (SEABRA, 1987, p 101, free translation).
Given this situation, a process of residential expansion in Vila Leopoldina can be observed, started even before the rectification in the higher areas and close to Sorocabana railway, and also the spread of industries, mainly with the insertion of land in the rectified floodplains. After the rectification of Pinheiros, the announcement of the implementation of the Marginal road adjacent to the river deepened the meaning of the production of the new place occupied by the neighborhood in the context of the metropolization in process in the 1950s⁴.

Vila Leopoldina is incorporated more organically into the metropolis when the urbanization of São Paulo announces the development of places associated with a new logistics platform, which advocates new scales of wealth mobilization through the production of its space. We can, therefore, understand the creation of the Marginal Pinheiros within the spatial production of the metropolis at the heart of an update to the guidelines of economic reproduction at that time. It was the resizing of the neighborhood that conditioned, during the 1960s, the actions for implementing the State Supply Center (CEASA) in Vila Leopoldina in São Paulo, later transformed into CEAGESP⁵.

Given the magnitude of the urbanization process in São Paulo, the infrastructure used as the Supply Center of São Paulo since the 1930s, with the Municipal Market as the primary link, does not follow the projection that metropolization would imply. This means that the updating of the metropolis’ space through arterial roads would concern them as a new urban scale was established involving spaces of flows of another order, including those involved in food distribution and supply. Thus, a more complex and robust supply system was installed in Vila Leopoldina in 1966 with CEASA, not only appropriating the industrial-logistical condition of the neighborhood but also reinforcing it. In a comparative study of the total value in the Supply Center between 1960–1965 and 1968–1972, La Corte (1976, p.36) identified a total increase for most products, indicative of the more modern and broader structures of CEASA created at the time in comparison with the Entreposto da Cantareira, associated with the population increase in the period⁶.

By understanding the installation of CEAGESP within this movement of reproducing the space of the metropolis, it is possible to uncover and articulate more appropriately the processes triggered concerning its current geographical situation. It is necessary to point out that there is a permanent resignification of these accumulated spaces at the core of the urbanization of

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⁴ Regarding the industry that expanded in the urbanization of São Paulo in the mid-20th century, Langenbuch presents a relationship with the new road circulation pattern, updating the logic of industrial location. In this way, according to the author, highways “began to play the role of locational factor previously played by railways, concerning industries” (LANGENBUCH, 1971, p. 213, free translation). This transformation was already conceived to a certain degree by Prestes Maia in his Avenues Plan in 1930, which provided for the “use of valleys for fast arterial roads, with separation of local and passing traffic” (MAIA, 1930, p.116). More specifically, along the Marginais, the production of a space capable of becoming an industrial zone was planned, thus promoting the restructuring required by modern São Paulo by incorporating the Tietê and Pinheiros floodplains. Regarding this issue, he claims: “We do not have, like old European cities, fortifications, and walls that provide spacious rings by simple demolition. In return, nature gave us the two rivers that bathe the city, from which it is necessary to make the best use” (MAIA, 1930, p.126, free translation).

⁵ CEASA in São Paulo, established in 1966, when merged with General Warehouse Company of the State of São Paulo (CAGESP) in 1969, gave rise to CEAGESP.

⁶ Another aspect to highlight is the uniformity of distribution of some perishable products, a fact that the existence of CEASA contributed to a large extent (LA CORTE, 1976, p.40).
São Paulo, which is established within the scope of territorial restructuring and the profound mobilization of wealth expanded in the reproduction of this metropolitan space. At this point, as Martins (2010) emphasizes, the production of geographical situations within the metropolis is constituted through a continuous process at the heart of its urbanization.

There is no location in itself; there is a successive way, through accumulation, of producing space so that interventions in building streets, leveling land, and infrastructure works will always be revived when new developments appear so that previous investments become part of current works. Through the gathering and intensification of investments, public and private, that centrality is formed, reiterating the rents due to better location (MARTINS, 2010: 53, free translation).

Martins’ observation is relevant as it contributes to the understanding of the global movement of the metropolis immersed in new content during the late 20th century. Two significant transformations that resonate in Vila Leopoldina are the departure of industrial plants from the capital of São Paulo and the production of a new centrality related to modern activities in the financial and services sector. At the heart of this issue, as analyzed by Carlos (2007), the production of new centralities in the metropolis has repercussions in various ways and intensities in countless directions. Vila Leopoldina is consolidated as an area of significant residential real estate growth aimed at medium and upper-middle incomes, to a certain extent enhanced by its proximity to the corporate axis and services materialized in the Faria Lima–Berrini direction. Thus, the transformations suggested in the neighborhood are, to a certain degree, indicative of developments regarding the updated urban centrality in the southwest axis of São Paulo (PÁDUA, 2011). Its past status as an industrial neighborhood is extremely relevant, which becomes strategic for real estate expansion in the vicinity of the modern Faria Lima–Berrini centrality and high-income residential regions, such as Alto de Pinheiros and Alto da Lapa (Figure 2).
Figure 2 – Vila Leopoldina location concerning Southwest Centrality

Elaboration: Prepared by the author
Rodrigues (2013) highlights that the predominant strategy of the real estate sector in the neighborhood has been to capture land from industrial warehouses. However, the regrouping of land has become an increasingly common practice. When carrying out a cartographic synthesis regarding the role of the real estate sector in the neighborhood, the author notes that in recent years, verticalization has reached the CEAGESP’s vicinity. However, she also observes the role of a relative barrier played by it to real estate expansion, although its presence does not act to mischaracterize “the vector that follows the course of the channelized river” (Rodrigues, 2013, p.195).

In this regard, some suggest a tension concerning the place CEAGESP occupies within the neighborhood. During the consolidation of its operations, it could be observed that CEAGESP indicated a centrality that “overflow(ed) the delimitation of the land destined for its official purposes, as it involves(ed) a series of services and activities that were being created, mobilized, and reorganized as the market demanded and demands for its expansion and reproduction” (GOMES, 2007:100, free translation). More than six decades after its implementation, however, the reproduction of the São Paulo space presents new contents that reach the surroundings of Vila Leopoldina. From the perspective of Pereira (2017),

The urban centrality created with the installation of the Supply Center on that site was surpassed by the new residential and service centrality created in the last 15 years. The neighborhood was modernized, and with the increase in density due to verticalization, it began to face problems such as a lack of parking on commercial streets, a larger number of bus lines in narrow streets, and increased vehicle traffic (PEREIRA, 2017, free translation).

Even though it is possible to relativize the “overcoming” of the centrality of CEAGESP, defended by Pereira (2017), it is possible to say that the movement undoubtedly stems due to its tension. From 1970 to 2010, among the six neighborhoods comprising the Lapa region (Barra Funda, Jaguará, Jaguaré, Lapa, Perdizes, and Vila Leopoldina), Vila Leopoldina was the one that showed the most significant relative population increase, with an increase of 54.33% (PEREIRA, 2017). Concerning buildings, between these years, Vila Leopoldina received 8,502 residential units, predominately apartments with 3 to 4 bedrooms (idem). According to Pádua (2011), since the 1990s, an increasing number of condominiums buildings has been observed in the neighborhood, boosting, with specific nuances, the housing suggested by the metropolis nowadays to higher income classes. In the studied case, large real estate projects aimed at the upper middle class, promoted in the face of an ideological discourse regarding lifestyle, quality of

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7 It is essential to point out that around CEAGESP facility, there was a search for jobs in its surroundings, resulting in an attraction for the resident-worker of São Paulo who managed, within their possibilities, to insert themselves into the economic circuit of the food as a commodity. Therefore, CEAGESP implies mobility of work whose materiality is presented in communities, housing complexes, hostels, and collectors associations that have significant links with activities related to its functioning, as revealed by Gomes (2007).

8 Rodrigues (2013, p. 209) presented some profiles of condominiums whose apartments exceed 250 m² in size and have a market value of more than R$ 2,500,000.
life, private woods, and urban security, among others, began to make up the current dynamics of the neighborhood.

That said, it is possible to understand the deep conflicts between uses established for decades by CEAGESP’s centrality and those present in the actions of the real estate market as consequences of the general (re)production of metropolitan space today. Thus, the impasses regarding CEAGESP’s departure from Vila Leopoldina reflect the general conditions of São Paulo’s urbanization, including the repercussions of the centrality of the southwest axis boosting the medium and high standard housing potential in the neighborhood. However, these general conditions relating to metropolitan spatial reproduction also present other layers: the new geographical situations derived from implementing the Beltway that produces a perimeter for new products and urban businesses capable of allocating CEAGESP.

Incorporating fragments of the metropolis into the real estate reproduction movement in São Paulo today involves increasing and complex scales of realization so that the mobilization of metropolitan space involves new proportions. For this reason, the possible transfer of CEAGESP, so desired and predicted by market enthusiasts, indicates a metropolis set to conduct business on a new scale capable of conditioning the Company’s structures. Thus, the issue is influenced by large-scale real estate development and the potential economic mobilization of the metropolis in new conditions. Without both dimensions, it would not be possible to adequately understand the articulation with the transfer of the warehouse, a movement conditioned by the moment of reproduction of space, within what Damiani (2008) describes as critical urbanization. The following is the text’s final section, presenting some notes in this regard.

**Space production and critical reproduction: approaches from São Paulo**

As explained in the previous pages, discussions surrounding the transfer of the CEAGESP Terminal have been going on for more than 20 years and have yet to reach a common denominator. Although there is no exact outcome in this regard, technical and official speeches from the beginning point out that the surroundings of Mário Covas Beltway would be the ideal perimeter to receive CEAGESP’s infrastructures.

In an announcement in 2015 by the Communication and Marketing Coordination (CODCO) of CEAGESP itself (2015), its transfer became not only tangible but desired given the established conditions:

The Company’s management considers it fundamental to concretely discuss the transfer of ETSP, located in Vila Leopoldina, in São Paulo, to another place that meets the current needs of the wholesale trade of fruits, vegetables, fish, and flowers, as the current dimensions of the market – opened in 1969 – can no longer accommodate the volume of operations that are carried out. Every day, 50,000 people and around 12,000 vehicles pass through the area. As the road structure is old, without adequate internal space for trucks to maneuver, congestion occurs when there is larger movement. (CEAGESP, 2015, free translation).
A relevant point to highlight is that the pressures concerning CEAGESP’s relocation, in addition to the above, also reveal elements under which the discussion acquires a new level: that relating to the competition in which the realization of CEAGESP’s critical merchandise is found. There is a struggle between food marketing units that have incorporated a particular share of the CEAGESP market since the 1990s. Gomes, for example, cites the reduction in the number of jobs for porters, one aspect of the “consequences of the reduction in the centrality of CEAGESP in the food supply over time” (GOMES, 2007: 167). This arises, to a certain extent, from the option offered by large hypermarket chains that have high restructuring power through large logistical distribution networks.

At the heart of the transformations announced in this text regarding the undefined location of CEAGESP, we want to draw attention to the fact that other layers of processes are not so evident in urban processes and fragments *per se*. For a more adequate understanding, it is relevant to consider a metropolitan totality in the constitution, the redefinition of the urban territory saved in Damiani’s terms, a process that can be read from the construction of the Metropolitan Beltway, updating the spatial conditions of the metropolization of São Paulo. In this regard, in Damiani’s reading, the Mário Covas Beltway provides us with an image of the metropolitan urban perimeter that was designed and is being implemented, forming a large ring of economic valorization of space. It determines a context and a spatial image of the totality of the production of urban space, and immediately, it boosts a process of social expropriation, typical of the primitive accumulation of space, which forges the space of valorization. (DAMIANI, 2008: 250, free translation).

The announcement regarding the possibility of transferring CEAGESP is more appropriately deciphered through the movement highlighted by Damiani, as the production of São Paulo’s space, with the opening of a perimeter the size of the Beltway, involves the creation of conditions for this logistics operation is designed more concretely. The presence of CEAGESP in Vila Leopoldina presents a notable particularity, given the functions performed by the warehouse and the centrality derived from its activities. Despite being exposed as an enclave to local urban development, its transfer appears complex, given the functions it performs at the heart of this urbanization, including when considering the manifestation of labor mobility contained in the installation and dynamics of CEAGESP through communities in its surroundings, whose attempted removal has already been officially suggested⁹. However, contemporary metropolitan spatial reproduction involves the constitution of space specific to the intended logistical equation, a notable element in countless speeches that point to the virtues of Beltway’s surroundings receiving an infrastructure of the Company’s size.

⁹ In this regard, the Vila Leopoldina – Vila Lobos Urban Intervention Project (PIU), approved by the city council in 2021, stands out, seeking to requalify and restructure an area adjacent to CEAGESP of approximately 300 thousand m². Among the project’s numerous formal guidelines, the incentive for constructing Social Interest Housing (HIS) for residents of nearby communities, especially Linha and Nove, stands out. However, there are already movements of residents opposing the construction of HISs in the area, justifying themselves as a demand against the “degradation” of the neighborhood. This announces some conflicts that will occur amid the socio-spatial transformations near CEAGESP. In this regard, see Quintella (2020).
At the heart of this process, implementing the Mário Covas Beltway is not trivial, given the new conditions established. A first approximation can consider that it implies the production of significant fixed capital in the metropolis, establishing, inextricably, the expansion of a space dedicated to economic reproduction with its demands constantly renewed at new levels. This may appear as a process that expands the urban surface, “extending the urban area in a specific way, to allow the conditions required by large firms in terms of geographic space” (Santos, 2012: 46). Such a movement toward redefining the contours of the urban domain, would establish the necessary support for the growing circulation in an economy of flows (Santos, 2012) for significant capital, whose conditions produce new features of urban sprawl.

Considering the use of urban space by large capitals, the spatial production of the updated conditions of the contemporary economy would be linked to the production of what Silveira (2011) and Silva Junior (2009) call territorial logistics\(^{10}\). In this sense, the efforts towards an increasingly refined rationalization of the production and distribution processes based on new niches of fixed assets in land and facilities would be notable, under which the implementation of the Beltway appears as a relevant element to the production of metropolitan space. However, the beltway in question does not only signal the physical circulation of goods and capital but the deepening of the city as a commodity in the sense of decisively contributing to new restructuring and new urban businesses. In other words, we insist in this text that the construction of the Beltway cannot be understood as a merely physical and technocratic issue focused on traffic and flow, as it is linked to the power of significant proportions of the metropolis to be mobilized for the production of new real estate assets, as well and to expand earnings prospects in the face of the production of new locational conditions in the metropolis of São Paulo. In short, it is a question of associating its implementation inextricably with the exponential movement of the reproduction of the metropolis that triggers its condition of mobilizing capitalist social wealth in the face of the contradictions essential to this social formation.

In these terms, the potential restructuring of São Paulo in process, which allows the constitution of a new ring of real estate businesses on a new metropolitan scale, as Damiani (2008) points out, involves a simultaneity of moments that are linked to the circulation of large proportions of socially produced and highly financialized wealth (BOTELHO, 2012), profoundly based on private ownership of land. This mobilization proves to be particularly pertinent at a time when accumulation itself would become problematic. Critically, urbanization follows the course driven by the updating that the production of space promotes capitalist social reproduction, with its amplified contradictions. From this point of view, we advocate that the most elementary contradiction of capital, namely that relating to its valorization crisis, would be contained in urbanization no longer as a contingent and temporary form but as an essential moment of urban expansion itself. For this reason, this article suggests that the production of an urban territory permanently redefined due to the positive virtues of capital, in the sense of its mobilization for accumulation, although relevant in the course of modernization, would no

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\(^{10}\) For Silva Junior (2009, p.263), “territorial logistics (...) is an action in the territory, from corporate agents, who have intelligence on the territory, using public and private engineering systems, as well as all other components of circulation, technical and normative.”
longer be the determination of the ongoing process, given the probable repercussions of the desubstantialization of capital on contemporary social reproduction, and therefore, on the production of the space of the São Paulo metropolis.\footnote{Regarding this process of desubstantialization of capital, Kurz (2019) circumscribes it in the development of the essential contradiction of the value valorization process: the relative reduction of variable labor (properly productive of surplus value) compared to constant capital in the scope of production general capitalist. The decoupling between work and money would be an unfolding of this contradiction. It would be expressed in an increasingly chronic way through the growing financialization with which the general reproduction of capital today is intertwined, in which the weight of fictitious capital is an essential landmark. The notes in this text suggest that the production of space, crossed by complex processes of financialization of land and real estate, is not alien to this determination today, with the pace and dimension of urban restructuring being a relevant development in this sense.}

In this regard, we can draw attention to one aspect, among other possible aspects, of the desubstantialization that takes shape in the production of space in São Paulo. It is necessary to recognize the weight of the intertwining between private property and financialization, therefore, of fictitious capital that acquires an increasingly significant proportion in the production of space in the face of the difficulties of valorization in the aspect of the global reproduction of capital. In this sense, the recognition of a range of financial instruments that illuminate “the growing power of finance to appropriate income arising from the restructuring of metropolises” (Sanfelici, 2013, p.36) can be understood within the scope of the growing relevance of fictitious capital in the production of urban space. Harvey (2013, p.449) insists that the more surplus capital in circulation, “the greater the likelihood that land will be absorbed into the structure of capital circulation in general.” Considering the indications of an internal limit to the substantial production of surplus value in proportion to the capital in circulation (Kurz, 2019) and the growing condemnation of future work due to the land itself (Harvey, 2013), the movement of production of urban space is located in this intensification of the essential contradiction of general reproduction. Botelho (2016) argues in this direction:

Land ownership could (…) be described in the most appropriate terms as a form of interest-bearing capital. In other words, since it refers to the anticipation of long-term gains, which may be produced or may never be realized, land ownership is the very basis of fictitious capital— the monetary materialization in the present of resources and values, which do not even exist yet, supported only by the expectation of its future realization (Botelho, 2016, p. 11, free translation).

The mobilization of urban land, on increasing scales in the production of urban space, would be one of the relevant repercussions of the capital crisis within the urbanization of the São Paulo metropolis. The production and intensification of urban borders herald a critical moment whose private property must be mobilized, at least potentially, at increasingly exacerbated levels, intensively and extensively in the production of metropolitan space. The implementation of the Beltway is a relevant moment in this sense. This phenomenon can be understood at the heart of the labor crisis when considering the resurgence of productive work concerning general capital in developing current productive forces.

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Therefore, the desubstantialization of capital does not present itself as a contingent process. Still, it is an immanent and comprehensive one, and the current moment requires reflections regarding the production of space within the limits reached by the abstract movement of the end in itself. For this reason, it is necessary to highlight that, in contemporary conditions, processes involved in the (re)production of the space of São Paulo concerning the constitution of urban fronts of the most diverse natures—be it residential, corporate, logistics, among others—no longer they would be the appropriate expression of an escape, even if temporary, from the capital appreciation crisis. The central issue that we insist on in this text would not be the (re)production of space, given the critical determinations of current capitalist general reproduction, a means of exponentially leveraging accumulation, but the expression of the accumulation crisis in the process. It would be a way of expressing the capital crisis in its updated terms, as Anselmo Alfredo highlights:

(…) it is not just about producing a space that realizes the world of merchandise, but, within the scope of the financialization of capital, the expansion of fictitious capital, in Marx’s expression, of space replacing, as representation, the absence of the alterity of the relationship between form and content, where even work, as a workforce, as a material moment of abstraction, loses centrality in this reproduction (2013: 65, free translation).

Therefore, reflecting on the intensive and extensive level that the territory of São Paulo can potentially be economically mobilized today involves considering the critical nature of this process. For this reason, the implementation of the Mário Covas Beltway in São Paulo should not be understood only in its strict condition as a means of circulation but in the production of a new perimeter for land mobilization that amplifies to an extraordinary degree the power of exploration of urban territories, whose intertwining between financial and fictitious capital is difficult to quantify given its massive presence in the production of urban space. The indication is that this movement is linked, above all, to what the substantial crisis refers to. The projection of metropolitan totality strategically expands, inserting new investment possibilities as a possible escape from this critical movement in the production of space in São Paulo. As Damiani draws attention, the design of the beltway in question announces “a notion of a whole metropolitan area to be irrigated, economically” (2008, p.247).

Final Considerations

The metropolis of São Paulo, constituting itself in the face of the production of space permanently anchored in the abstractions of the value form, is made up of spatial arrangements that would be expressions of a crisis that should not be understood as contingent but expressed in an increasingly more profound way, given the internal contradictions of capital in its operation. In this sense, Damiani’s (2008, p. 234) exposition regarding this urbanization as a critique, immersed in the general guidelines of capital, reveals it as the “reiteration and updating” of capital in its reproduction as a subject. Not without reason, the unveiling of this metropolitan reality must necessarily lead to the understanding of an incessant movement of reproduction.
of its territory that deepens concerning the foundations of this economy, the capitalist one. Given these landmarks, one cannot understand the reproduction of the space of the São Paulo metropolis as a static and momentary framework. It is necessary to point out that “the general state of the urban economy changes all the time” (ibidem: p. 237).

Thus, we suggest in this text that the foundations brought by the updating of this urban territory can be exposed and enriched by moments in the metropolis that are enormously associated with the new levels of circulation of wealth suggested by the implementation of the Mário Covas Beltway. Therefore, it was emphasized that the impasses related to CEAGESP’s transfer to a new perimeter of São Paulo, in the surroundings of the Beltway, are revealed in the new geographical conditions within the metropolis that have been gestating since its conception, an alleged spatial adjustment aiming to provide the basis for a critical realization of this economy combined with business logistics: these would be the tax conditions of territorial logistics updated throughout the metropolis. Thus, the relativity of places brought about by the ongoing metropolitan reproduction opens up opportunities for new real estate assets and transformations of centralities, either in the making or already established, amplifying the most varied social crises contained in urbanization. The problem in which CEAGESP’s geographical situation is inserted, both present and future, thus involves the new terms announced from the (re)production of the space of São Paulo, whose power to sweep away uses and residents acquire new scales.

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