

Wall Mart, Burger King and Pizza Hut: The Malling of Latin America

By Kenneth D. MacHarg

Quito, Ecuador--The opening of two mega shopping malls in Quito has raised questions in the local press while drawing thousands who have browsed the stores, eaten in the food courts and plunked down their hard-earned cash for primarily imported products.

The causal observer would have to be pardoned if he or she mistook the four story "El Jardin" complex for that in any North American city. Glitzy stores, bright neon signs, piped in muzak, and the popular food court could easily fool one into thinking they were in Louisville or Atlanta or Oklahoma City.

Perhaps because they were new, or at least because they are the wave of the future, the new malls were packed from the opening day. There is a fascination with things American in Latin culture, so the imported clothing, sporting goods, radios, floor mops and packaged foods drew shoppers into almost all of the stores.

Appealing primarily to an upscale market, many of the stores bear English names, including Radio Shack, Subway Sandwich Shop, and the strangely titled "As Seen on TV"-an outlet with products widely advertised on the U.S. cable channels.

While the new centers draw huge crowds and media interest, some are wondering what their long-term affect will be on the economy and culture of Latin America.

Shopping malls and other modern developments have changed the face of U.S. culture, so why shouldn't they have a similar impact on life south of the border? Malls killed many downtown shopping strips, and mega stores are shoving out the mom and pop outlets.

Television and air conditioning took people off of the front porch and isolated them into living rooms and family dens. Interstates have just about wiped some small towns off of the map.

Will the same happen to Latin America as Wall Mart, Ace Hardware and Blockbuster move in?

Local newspapers in Quito have raised the question whether the malls with their food courts and attractive indoor atmosphere will change the pattern of shopping and social interaction, especially among the youth.

What will happen to the little grocery, bakery and beauty shops which exist on just about every block? Will the fast-food enterprises such as McDonalds, Wendys and Dominoes lower the taste for traditional cultural food?

For some, inevitably yes. As the cable television wires snake into more and more neighborhoods and more young people complete their college and graduate degrees in the United States, it is inevitable that the social and economic interests of North America will become a part of the Latin scene.

But, according to Quito's Hoy newspaper, fully sixty percent of Ecuador's population cannot afford to shop in the new shopping plazas.

These are the people who are forced to buy aspirin and cigarettes one at a time because there is no way they can afford to buy a full bottle or pack. Their clothing is of a budget variety, food purchased at an open market, and if they ever eat out, it is at an open-air stand of a street vendor.

For these people, the malls may be a possible source of employment (each has hired over 1,000 people to work on a regular basis), but as a place to shop or even to pass a pleasant Sunday afternoon, they are too high class and out of the way for the average low income person.

Socially, the malls may also bring change. For a society where the extended family is the primary social unit, Mom, Dad and the kids going to the shopping center without grandparents, cousins, uncles and aunts begins to break down that cohesiveness. And, as young couples find the malls as a convenient place to spend time together, the traditional family picnic or dinner may find itself replaced by a Big Mac and a shake in the food court.

The economic impact on these countries is a serious question as well. In a recent article in the Miami Herald International Satellite Edition dealing with the development of such complexes in Latin America, Robin Lanier, of the International Mass Retail Association in Arlington Virginia says, "... (T)he profit still goes back to U.S. headquarters." Granted that the desire for imported goods doesn't help Latin America's balance of trade, but as more U.S. mega-companies open branches south of the U.S. border, replacing locally owned businesses, the situation will only worsen.

Wall Mart has caught on well in Brazil and Argentina, less so in Mexico where economics have played a part in a slow start. Competition in these countries has been from other European and North American centers which are opening up in most major cities. But those countries are also less traditional than the Andean nations of Ecuador, Bolivia and Peru. Thus, their citizens have embraced the malls and super stores quickly with less social upheaval.

Time will tell how homogenized Latin American culture will become as new shopping and social patterns emerge.

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