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Subaé Industrial Center as an instrument of economic and regional development: Current events and future perspectives.

El Centro Industrial Subaé como instrumento de desarrollo económico y regional: actualidad y perspectivas de futuro.

Centro Industrial do Subaé enquanto instrumento de desenvolvimento econômico e regional: Atualidades e perspectivas futuras.

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Abstract

From the 1970s onwards, the government of the state of Bahia began to put into practice a vigorous policy of industrialization through the "internalization" of production. In this sense, a complex of industries called Centro Industrial do Subaé (CIS) was implemented in Feira de Santana (the second largest city in the state) to complement the industrial axis that had already been established in the capital. The purpose of this article is to discuss the current perspectives of the Subaé Industrial Center, in order to understand its dynamics and future perspectives. As results obtained, it was inferred that the CIS promoted a "concentrated deconcentration" in which few industries concentrate most of the investments in a regional development model that shows signs of exhaustion.

Keywords: Subaé Industrial Center;.Industrial Districts; Feira de Santana.

Resumen

A partir de la década de 1970, el gobierno del estado de Bahía comenzó a poner en práctica una vigorosa política de industrialización a través de la "internalización" de la producción. En este sentido, el complejo de industrias denominado Centro Industrial do Subaé (CIS) se implementó en Feira de Santana (la segunda ciudad más grande del estado) para complementar el eje industrial que ya se había establecido en la capital. El propósito de este artículo es discutir las perspectivas actuales del Centro Industrial Subaé, con el fin de comprender su dinámica y perspectivas futuras. De los resultados obtenidos, se infirió que el CIS promovió una "desconcentración concentrada" en la que pocas industrias concentran la mayor parte de las inversiones en un modelo de desarrollo regional que muestra signos de agotamiento.

Palabras clave: Centro Industrial Subaé; Distritos Industriales; Feira de Santana.

Resumo

A partir dos anos 1970, o governo do estado da Bahia começa a por em prática, uma vigorosa política de industrialização através da "interiorização" da produção. Neste sentido, foi implementado em Feira de Santana (a segunda maior cidade do estado), um complexo de indústrias denominado Centro Industrial do Subaé(CIS) para servir como complemento ao eixo industrial que já havia se estabelecido na capital. A proposta deste artigo é discutir as perspectivas atuais do Centro Industrial do Subaé, de modo a entender a sua dinâmica e perspectivas futuras. Como resultados obtidos, inferiu-se que o CIS promoveu uma "desconcentração concentrada" na qual, poucas indústrias concentram a maior parte dos investimentos em um modelo de desenvolvimento regional que apresenta sinais de esgotamento.

Palavras-chave: Centro Industrial do Subaé; Distritos Industriais; Feira de Santana.

Introdução

Since the 19th century, according to Pessoti and Sampaio (2009), the then Province of Bahia already had a basic industrial structure, supported mainly in the textile sector, with cigar, soap and metallurgical factories being also found. However, this "emerging industry" had little significant impacts on Bahia economy, given the strength of the cocoa economy as the main source of economic development in the state and the national economic policy focused almost exclusively on coffee growing.

As Guerra and Teixeira (2000) and Cavalcante (2008) point out, it was only after the 1950s that the promotion of industry began to be resumed as the main economic development strategy, resumed through planned state interventions mainly in the Metropolitan Region of Salvador (RMS), as well as the offer of infrastructure land and tax incentives, from which important and historic works emerged for Bahia's industrialization in the following decades, such as: Landulpho Alves Refinery, Aratu Industrial Center (CIA) and Camaçari Petrochemical Complex (COPEC).

With the start of the operation of COPEC, the expectation was to significantly increase the fiscal revenue of the state and the municipality of Camaçari. A detailed study of the hub's financial contribution predicted growth in the Tax on Circulation of Goods and Services (ICMS) by 7% per year, and also predicted that Camaçari's budget, until the end of the 1970s, would be multiplied by eighteen (GUERRA; GONZALES, 2001, p. 317 apud PESSOTI 2010) The concern in carrying out this study was to:

> Justify the significant volume of resources that should be invested by the Bahia state government in the construction of the physical and urban-social infrastructure in the area, demonstrating to financial agents, including the National Bank for Social Development (BNDES), the State’s ability to pay (PESSOTI, 2010, p.30).

Although these undertakings brought about deep changes in the productive structure of Bahia, which authors such as Uderman (2005) and Pessoti and Pessoti (2010) highlight in their studies, the logic of industrialization concentration around the Metropolitan Region of Salvador (RMS) remained unchanged. In this context, Carvalho Júnior et al (2002) observe that, in the early 1970s, under the influence of the ideals of the Superintendence of Northeast Studies (SUDENE), there was an attempt by the State Government to specialize and “move industrialization to the countryside” in Bahia, through goals aimed at establishing changes in the production structure, with the main objective of making the municipalities of the “countryside[2]”more dynamic integrating them into the state's productive matrix.

In order to achieve this objective, industrial districts were implemented, in their original conception, in the municipalities of Ilhéus, Jequié, Vitória da Conquista and Juazeiro, whose areas were admitted as strategic by the State Government, following the logic of "concentrated decentralization", based on industrial enterprises in locations chosen due to the possibility of overflown effects to municipalities located in the vicinity of these Industrial Districts (Pesotti et al ., 2017).

[2] In fact, understood here, as non-metropolitan spaces.

With the emphasis on "industrializing the countryside", the CIS obtained, along with SUDENE, the resources to start setting up industries in the Tomba area, through the non-repayable financing program for industrial warehouses. Based on it, initially, four agreements were signed that allowed for the construction of the first industrial units in the Tomba area and, through lease agreements, allowed for the feasibility of the occupation process of Tomba, serving as an industrial and business reference for new investors (MELLO; SILVA, 1988).

The CIS acts in the following decades as an autarchy in the industrial development within the Feirense economy and in the region until 2018, when, through Law No. 14,032 (BAHIA, 2018), sanctioned on December 12, 2018, Governor Rui Costa, with the prerogative of streamlining the public machine and modifying the organizational structure of the public administration, extinguishes the Superintendence of Industrial and Commercial Development (Sudic), as well as the CIS. With the extinction of these autarchies, the managerial responsibility for promoting industrial activity, both from Feira de Santana and from other districts of Bahia, it was transferred to the Secretariat of Economic Development (SDE) in Salvador.

That being so, this article intends to verify the current situation of the industries of the Subaé Industrial Center through the extinction of the autarchy that managed the district in 2018 and to analyse the future prospects of the Feira de Santana industry.

The methodology used was both a literature review about the industrialization of the city of Feira de Santana to be explained in section 2, and the current situation of the CIS and future perspectives to be discussed in section 3, through the quantitative approach of data analysis secondary databases such as the Government Balance Sheets of the CIS itself, in addition to data from the Federation of Industries of the State of Bahia (FIEB).

Historical Process of the Industrialization of Feira de Santana

The human settlement of the region in which the city of Feira de Santana is now established began in the 18th century, in a farm called "Sant'Ana dos Olhos d'Água, owned by the couple Domingos Barbosa de Araújo and Ana Brandôa.

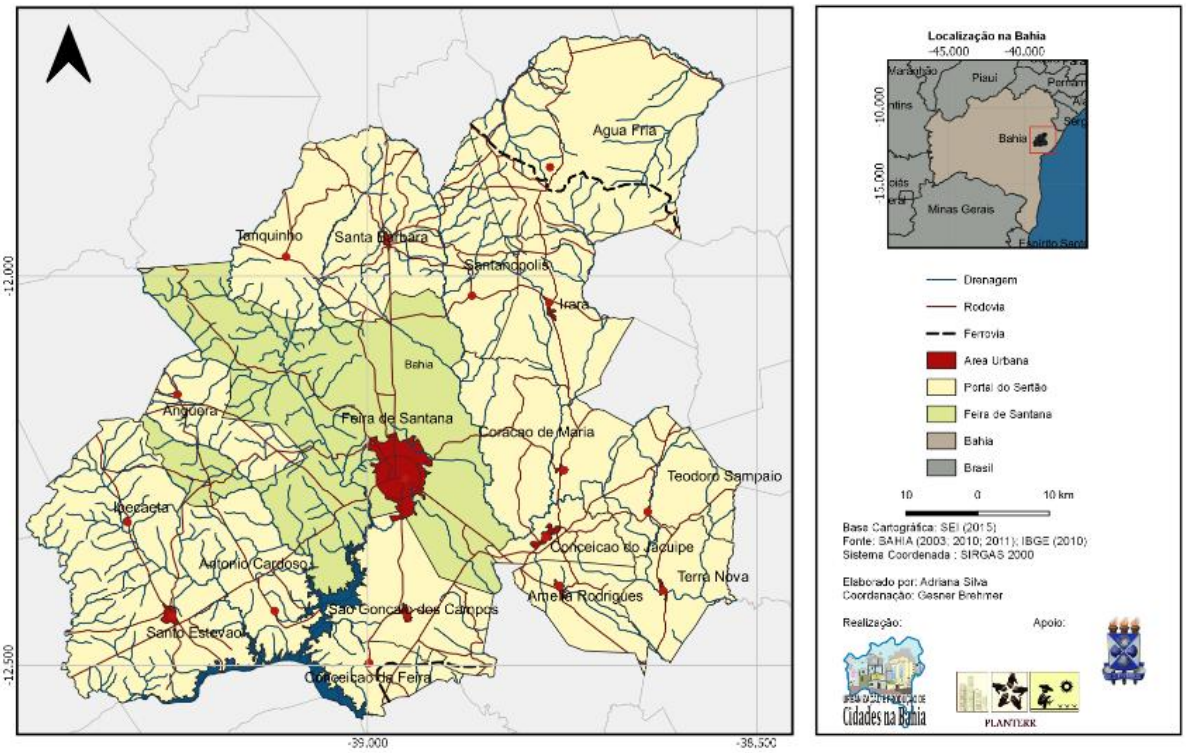
According to Santo (2003), after the creation of a chapel dedicated to Santa Ana and São Domingos, it soon became a resting and hydration stop for all kinds of travelers, especially cattlemen and drovers, traveling from coming or going to the backwoods.

Due to this population flow, in a short period of time, some people began to settle around the farm region, so that a small trade was established between them and the cowboys who passed by, thus starting a cattle fair and small essential products trade for the livelihood of residents and travellers.

According to Pedreira (1983, p.15)," around 1825, the Arraial de Sant'Ana dos Olhos D'Água already existed in that place, where 3,000 to 4,000 people gather on Tuesdays of each week and where there was a great cattle fair." This fair was justified due to the privileged location of the Arraial between the Recôncavo and the Médio São Francisco, and the natural conditions found there (abundance of natural pastures and water). The location of the city of Feira de Santana is shown on map 1.

Thus, it is observed that it only took a century for Feira de Santana to go from being a simple village (small rural village) to the location with the most important Fair in Bahia. This fair was the basis of its economy and, over time, it became a space or an environment that went beyond business, a real meeting space between science, knowledge and flavours, as discussed by Lima (2014).

Map 1- Location Map of Feira de Santana in Portal do Sertão and in Bahia, 2020



Source: Silva(2020)

The insertion of the village in the processes of articulation, deconcentration and countryside production began after 1860, with the Bahia Province government perception of the increase in trade flows and the growth of the cattle fair, in which the roads that connected the countryside of the state to the capital Salvador was in a precarious state, causing the flow of production to take place in several days of travel in even more rudimentary transport such as ox carts and on the back of animals. In this perspective, in 1917, in the government of Antônio Sodré Aragão, the first road construction plan was drawn up, with the Salvador-Feira de Santana path (which had already been elevated to the category of city in 1873) as the main focus, as early as 1938, according to Cruz (1999, p.177), the "municipality was already experiencing the strengthening of its position as a focus of irradiation and convergence of a system of highways, with public resources from Bahia and the Union".

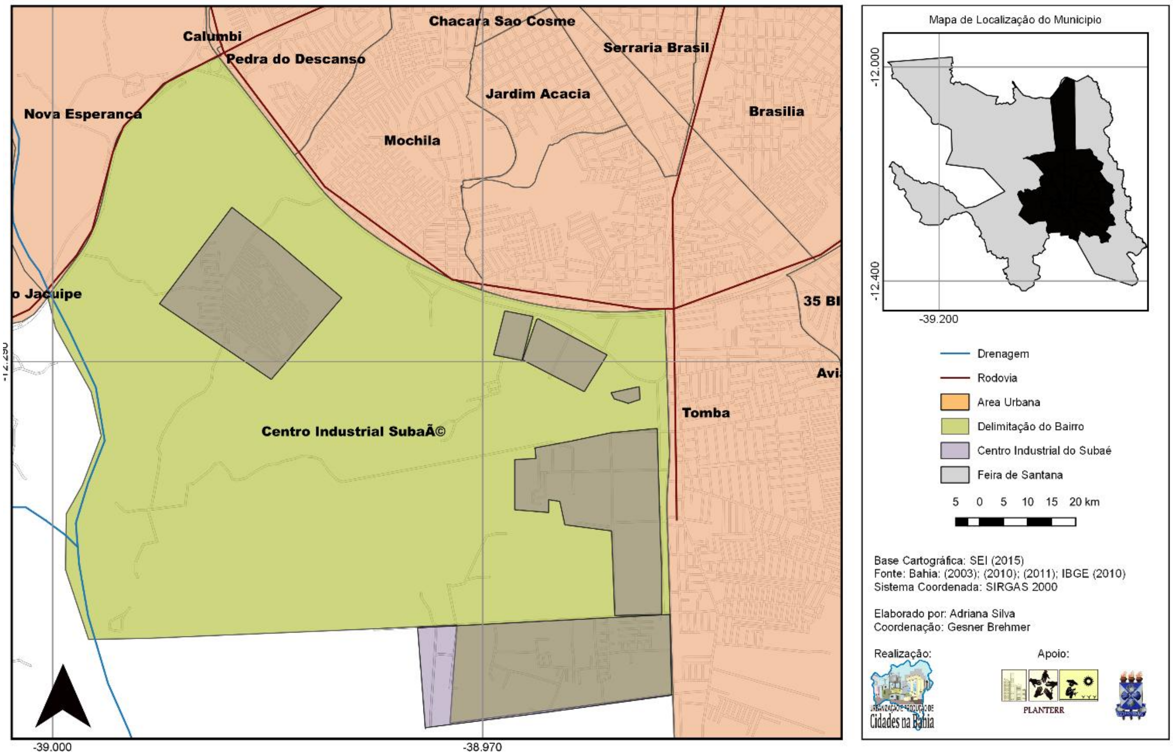
Thus, the municipality would benefit from the confluence of interests that reinforced its strategic position in the face of capital flows to the Northeast and Salvador, strengthening local commerce and generating investments in diversified activities. From an early age, the surpluses obtained from commercial activity had led to the emergence of an incipient tobacco processing industry and the preparation of meat, leather and fur, whose production value was surpassed by livestock or even agriculture.

Since 1860, in fact, the presence of small units, based on manual work, with little use of steam or machinery, was registered. In 1940, Feira de Santana already had 29 establishments, including processing plants and small factories (CRUZ, 1999).

This 1940s Feirense "emerging industry" faces two problems that limit its development in the municipality as the main productive activity: the first concerns the size of the local and regional consumer market, which is still marked by low levels of income; and secondly and most importantly, the massive competition with more industrialized products coming from Salvador. Once this situation has been established, the local industry initially focuses its production for the local and regional market on agricultural products with low added value, which already have a strong local presence (tobacco, cotton and fur) and products that complement production in neighboring cities. This focus was held in the following decade and thanks to the local market, Feira de Santana experienced a great industrial growth during the 1940s and 1950s.

During the 1960s, according to Azevedo (1974) and Cruz (1999), Feira de Santana became an important support centre for transport and passengers through the productive integration of mercantile and industrial capital coming from Salvador. Allied to these factors, the role of the State in fostering industrialization through the creation of the Interior Industrialization Program (PROINTER), led to the creation of the CIS in 1970, organizing the industrial activity of the municipality, until that moment dispersed and disorganized see (map 2).

Map 2- Location of the Subaé Industrial Centre in the municipality of Feira de Santana-Bahia, 2020



Source: Silva(2020)

This industrial centre, at the beginning of a local initiative, originated together with the creation of a State Government Autarchy to manage it. Initially, the district was characterized by being focused on the manufacture of final and intermediate goods, presenting a diversified sector, with the most representative branches being: metallurgy, food, beverages, wood, non-metallic minerals, chemicals and rubber. The main attractive of the CIS for its implementation was the fiscal incentives of the FINOR Program (Northeast Investment Fund), the exemption from income taxes and the surplus of labour (FREITAS, 1996).

During the initial period of the CIS until 1985, the outstanding sectors of the industry in terms of participation in both the industrial value structure in the region and in Bahia are the paper and cardboard industry with 11.1% participation in the industrial value structure and a 40.59% stake in Bahia in 1985; rubber with 12.9% and

61.32%, respectively, and perfumery, soap and candles with 10.1% and 40.11, respectively, according to Cruz (1999). Data are presented in Table 1[3].

It was expected that the increase in the number of companies in the Subaé Industrial Centre would lead to a process of generalized growth in industrial production in Feira. However, this is not what is observed when consulting the data available in Cruz (1999) with regard to the evolution of industrial production indices of selected activities in the period 1987-1996. Although the author emphasizes that these numbers must be viewed with care, since the study data derive from aggregated data from an industrial production as a whole and these are strongly influenced by industrial activities in the RMS (Metropolitan Region of Salvador) which has a another type of industrial and cost structure, often different from those observed in the CIS

Table 1-Feira de Santana: structure the value of the processing industry and participation of industry in micro homogeneous[4] (MRH) and in Bahia in the period 1970-1985

Industrial Genres	Structure (%)				Feira de Santana/ Bahia Participation (%)			
	1970	1975	1980	1985	1970	1975	1980	1985
Feira de Santana Total	100	100	100	100	3,85	2,94	2,70	2,56
Feira de Santana/ MRH Participation	-	-	-	-	93,85	94,34	95,11	-
Mineral Extraction	3,4	0,1	0,0	nd[5]	5,01	0,09	0,00	-
Transformation industry	96,6	99,9	100,0	nd	3,82	2,81	2,73	-
Non-Metallic Minerals	12,5	10,0	4,9	nd	3,58	3,51	2,76	
Metallurgy	1,3	7,9	11,0	17,6	1,06	2,57	5,20	4,4
Mechanics	2,2	4,6	9,2	nd	2,61	2,23	3,75	-
Electrical Material and Communication	0,4	5,4	7,6	nd	0,81	5,68	11,98	-
Transport material	3,2	4,4	3,3	nd	8,19	7,67	26,62	-
Wood	8,2	4,6	7,1	-	10,77	4,67	9,98	
Furniture	7,9	3,0	1,7	-	15,41	9,54	7,65	

[3] Group I corresponds to the non-durable final consumer goods industries (Furniture, Perfumery, Soaps and Candles, Textiles, Clothing, Footwear and Fabric Artifacts, Food, Beverages, Tobacco and Editorial and Graphics). Group II, to the intermediate consumer goods industries (Mineral Extractive, Non-metallic Minerals, Metallurgy, Wood, Paper and Cardboard, Rubber, Leather and Fur, Chemistry and Plastic Materials) and group III to the durable consumer goods industry and capital (Mechanics, Electrical and Communications Equipment, Transport Equipment and Miscellaneous)

[4] Municipalities of Feira de Santana, Ipirá, Santo Estevão, São Gonçalo dos Campos and Conceição do Jacuípe

[5] Data not available

Paper and Cardboard	x[6]	x	11,1		x	x	40,59	
Rubber	1,6	2,0	8,9	12,9	16,76	13,54	41,40	61,32
Leather and Fur	0,1	x	x	x	0,56	x	x	
Chemistry	4,2	0,9	7,0	9,6	0,52	0,08	0,40	0,46
Perfumery	1,0	16,9	7,9	10,1	4,56	51,33	45,32	40,11
Plastic Materials	x	x	x		x	x	x	
Textile	1,3	0,7	0,6		1,21	0,66	0,33	
Clothing, Footwear and Fabric Artifacts	1,5	1,4	2,0		4,36	3,57	5,71	
Food	45,3	25,7	11,5	11,6	9,02	6,52	3,76	2,55
Beverage	0,6	0,8	0,4		0,63	0,73	0,95	
Tobacco	x	x	x	2,6	x	x	9,73	
Editorial and Graphic	1,3	2,4	1,5		2,50	3,89	4,10	
Others	1,0	0,7	0,1		7,19	5,46	2,35	
Group I	58,9	51,1	**28,3**	**-**	**6,78**	**6,60**	**4,20**	**-**
Group II	31,4	25,6	**50,0**	**-**	**2,16**	**1,23**	**2,10**	**-**
Group III	6,8	15,0	**20,3**	**-**	**3,55**	**4,06**	**6,19**	**-**

Source: Cruz (1999, p. 206).

The sectors that stand out in the 1987-1996 period, according to Cruz (1999) are food, beverages, rubber, in addition to graphics and pharmaceutical/veterinary, which represents, in comparison with the 1970-1985 period, the loss of hegemony of the intermediate consumer goods industry, for the rise of the non-durable final consumer goods industry. Data are available in Table 2.

Table 2- Fair of Santana: evolution of indices of production of activities selected the industry of local processing in the period 1987-1996[7]

Industrial Genres	1988	1989	1990	1991	1992	1993	1994	1995
Transformation Industry	**101,5**	**91,8**	**83,6**	**62,2**	**52,6**	**53,2**	**107,0**	**104,6**
Non-Metallic Minerals	103,7	76,9	75,3	-	-	78,1	73,8	115,0
Metallurgy	78,8	80,6	109,2	185,0	141,9	70,0	60,2	57,0
Electrical Material and Communication	64,9	57,7	43,3	-	-	13,5	-	0
Transport	37,9	49,9	56,4	-	-	15,7	12,2	8,6

[6] Indication used by IBGE, when there is a risk of identifying the informant.
[7] The base year used was 1987, which corresponds to 100%

material[1]								
Wood[1]	68,6	71,9	80,4	-	-	207,5	129,4	41,6
Furniture[1]	169,2	52,7	71,4	-	-	91,3	113,4	54,1
Rubber[1]	132,2	105,0	63,1	108,0	121,1	158,4	113,9	110,9
Leather and Fur[1]	51,5	50,9	218,9	-	-	252,2	187,4	131,1
Chemistry	93,9	72,9	52,9	65,8	53,0	21,9	118,3	62,5
Perfumery, Soaps and Candles	85,9	91,5	43,8	-	-	28,9	18,4	29,1
Food	143,7	163,4	201,3	212,3	118,5	192,2	255,5	216,3
Beverage	65,5	95,0	37,8	62,1	56,3	62,0	211,9	261,2
Tobacco[1]	20,7	6,7	0,1	-	-	-	3,8	8,1
Editorial and Graphics	399,3	1.459,9	2.732,4	-	-	6.461,4	5.727,5	13.055,0
Others	157,8	187,4	233,8	-	-	413,2	288,4	310,2
Group I	**123,5**	**117,1**	**89,0**	**92,0**	**80,9**	**115,2**	**188,9**	**236,8**
Group II	**95,0**	**88,2**	**73,8**	**68,3**	**53,4**	**42,4**	**84,3**	**66,9**
Group III	**122,0**	**127,3**	**98,2**	**-**	**-**	**62,3**	**62,7**	**54,7**

Source: Cruz (1999, p. 238).

In face of the above, it is possible to infer that, between 1970 and 1995 the Feirense industry went through two major changes: the first change came with the proper installation of the Subaé Industrial Center that transformed the local industry into a producer of intermediate consumer goods aimed to industrial complement of industries installed in the Industrial Complex of Aratu and the Petrochemical Complex of Camaçari.

The second transformation occurred between the late 1980s and 1990s, with the deepening crisis macroeconomic the country, coupled with the political economy of higher opening trade, in detriment of the continuity of the policy of decentralization industrial, which end up by stimulating the growth of industries of the branches of clothing, food and beverages, both in the country and in the local economy, which makes the Feirense industry will eventually mainly produce goods non-durable consumer.

[1] IBGE's physical production indexes are only available for the period 1991-1997, for the categories Wood, Furniture and Leather and Leather. In the others (Transport Material, Tobacco, Editorial and Graphics and Miscellaneous), there are simply no indexes. In all these genres, the author used the general index of the Bahia manufacturing industry. A similar procedure was adopted for the treatment of Group I, II and III aggregates.

In the 2000s, new factors can be considered in the analysis of the Feirense industry, including: i) the increase of the Brazilian deindustrialization process[8] (loss of industry participation in wealth generation); ii) productive restructuring[9] (new forms of industrial organization) that modified both the forms of industrial production and the logic of industrial location; iii) the continuation of the economic and policy situation of the previous decade, that is, a national economic policy aimed at reducing public accounts, mainly through the privatization and the protection of the currency against devaluations, through increases in interest rates at the beginning of the decade to fight the initial economic crises in Russia, Mexico and Argentina.

For Pessoti and Pessoti (2015), this situation was extremely crucial to promote changes in the economy of Bahia as a whole; first by the long credit limitation period, which directly affects the sectors of services and industry (large borrowers of this feature) and by changing the focus of industrial policy of development for part of the government of the state, with targeted focus on production vehicles.

The reformulation of industrial activities in Bahia, as part of a plan to diversify the production, reached greater boost in the beginning of 2001 with the launch of desenvolve, a policy of attraction of investments to stimulate flows of production and income in the state.

Another important condition in the first decade of the years 2000, which allows the analysis in more depth of the industry behaviour in Feira de Santana, was the creation of politics of identity territories by the government of Bahia in 2007 by the then governor Jacques Wagner, as one instrument of planning public policies of land development in the Plano Plurianual Participativo (PPA-P) 2008-2011.

In this sense, Feira de Santana is inserted in the territory of identity called Portal of Sertão, grouped to the side of the municipalities of Água Fria, Amelia Rodrigues, Anguera, Antonio Cardoso, Conceição da Feira, Conceição do Jacuípe, Coração de Maria, Feira de Santana, Ipecaetá, Irará, Santa Bárbara, Santanópolis,

[8] See Oreiro and Feijó (2010)
[9] See Harvey (1989) annd Benko (1999)

Santo Estêvão, São Gonçalo dos Campos, Tanquinho, Teodoro Sampaio and Terra Nova. According to Silva (2020), since the creation of the Portal do Sertão territory, the industry in municipalities close to Feira de Santana (mainly Conceição do Jacuípe and São Gonçalo) has been gaining importance both in Bahia and in the territory.

However, Feira de Santana continues to be the industrial center of the territory of Portal do Sertão and the most important in the “countryside” of the state. But now, integrated to the industrial dynamics of the surrounding municipalities. Allied to this, since 2018, the state government extinguishes the managerial authority of the Subaé Industrial Center and removes the municipal autonomy of the management of the more significant part of the local industry. The debate on the current situation of the CIS and its future perspectives as an agent of economic development is the theme of the last section of this paper.

The CIS as an instrument of economic and regional development: Current events and future perspectives

In this final section of the paper, we will discuss the current situation of the CIS in relation to its sectoral composition, its location, its main problems and what are its future prospects.

Continuous act, the Subaé Industrial Center currently comprises three industrial centers located in the municipality of Feira de Santana and in surrounding areas: Núcleo CIS Tomba, Núcleo BR-324 and Núcleo São Gonçalo. According to FIEB (2019, p.02):

> [...] currently, the geographical area of activity of the CIS covers several municipalities in the Feira de Santana region, such as Amélia Rodrigues, Anguera, Antônio Cardoso, Candeal, Coração de Maria, Conceição da Feira, Conceição do Jacuípe, Ipecaetá, Irará, Riachão do Jacuípe, Santa Bárbara, Santanópolis, Serra Preta, São Gonçalo dos Campos and Tanquinho.

According to Silva (2020), all these nuclei concentrated, by the end of 2018, 645 industries installed and 76 still in stage of implementation for the coming years. In percentage terms, the current industrial structure of the CIS is shown in Table 3.

Based on the data in Table 3, it is possible to make a correlation with the data obtained by Cruz (1999). Even after 20 years, there has been no change in the productive structure in the district, as there was in the 1990s. The CIS remains a district aimed to the nondurable consumer goods industry[26], highlighting the sectors of food and beverages and, in these, the importance of the presence of Nestlé, Pepsico and Ambev in the industrial composition is highlighted, which in turn corresponds to 19% of the industrial composition of the district. Other sectors that deserve mention are the metallurgical (16%) and chemical (14%) sectors.

The great "news" in relation to previous decades in the structure of the CIS is the growth of civil construction industries, which reach fourth place in the sectorial composition of the district, with 12% of the total industries. This growth was not by chance and, when analysing the growth of the sector as a whole in Brazil in the last decade, it appears that it was basically driven by three factors: the high demand for real estate projects for residential use, especially by federal government programs, the improvement of the economic scenario in the first decade of the 21st century due to the boom in commodities and the conduct of economic policy by the Lula (2003-2010) and Dilma I (2011-2014) governments, in which there was expansion of the Brazilian middle class and the class called C. Finally, there is the improvement of the new and used property financing conditions and, more specifically, there was a reduction in the rates of interest due to the government subsidies.

Table 3- Subaé Industrial Center: Sectoral Breakdown by Segment in 2018 (in %)

Segments	**(%)**
Food and Beverages	**19**
Metal /mechanical	**16**
Chemist/Pharmacist	**14**
Civil Construction	**13**
Other	**12**

Packaging and papers	**8**
Services and Commerce	**8**
Textile	**6**
Recycling	**4**
Total	**100**

Source: Elaborated by Gesner Brehmer Silva. Base data: CIS (2018).

Also in relation to the composition of the CIS, when observing the list of the 10 most relevant companies in terms of employment in the District at the end of 2019, available in Table 4, it appears that they together employ a total of 6,876 employees. There is also heterogeneity observed sectors, so that they are found in both industries of tires (Pirelli Tires LTD), manufacture of juice (Brasfrut-Fruits of Brazil LTDA) wires Steel (Belgo Bekaert Wire LTDA) and animal feeding (Primor's Nordeste LTDA). In proportional terms, Table 4 depicts in percentage terms the importance of the ten largest companies of the Subaé Industrial District for the generation of employment and of income.

Table 4- The 10 largest industries in the Subaé Industrial District in terms of employment in 2018.

Name of Company	Activity Branch	Nº of Employed People	Employers in relation to the 50 biggest companies (in %)
Pirelli Pneus LTDA	Tire manufacture	1427	**10,90**
Viva Ambiental LTDA	Non- hazardous waste collection	992	**7,58**
Borrachas Vipal S/A	Manufacture of artifacts from rubber	752	**5,74**
Nestlé Alimentos e Bebidas LTDA	Food	688	**5,26**
Aceflex do Nordeste LTDA	Textile Products	611	**4,67**
Sustentare Saneamento S/A	Collection of waste non-hazardous	600	**4,58**
Sipel Construções LTDA	Civil construction	540	**4,13**

O.L Papéis LTDA	Manufacture of papers	504	**3,85**
Brasfrut LTDA	Fruit juice, legumes and vegetables	412	**3,15**
H Marinho LTDA	**Construction**	**350**	**2,67**

Source: Elaborated by Gesner Brehmer Silva. Database: FIEB (2019).

With data from the previous tables, you can make some inferences in relation to the current composition of the CIS. The first is that the largest companies of the district, in terms of employment, accompany the composition of the data in Table 3: the food, construction and chemical branches indirectly dominate the relationship of the companies that most employ in the district, being the multinational Pirelli, located in BR-324 core, the employment leader with 1427 employees and almost 11% of district jobs.

The second consideration, and perhaps the most important, is found in the FIEB (2019) data, when analysing all the 50 major industries of the district, and realizing that there are signs that its logical obeys one of the assumptions of the productive restructuring: the hierarchical system. The large companies have in their industry district partners that provide either complementary products to the products of the main industries or provide raw materials for the manufacture of these products. The logic of the CIS no longer obeys only the principles of location theory, that is, the search for the best place for the flow of production that offers greater proximity to consumer centers and minimizes transport costs. Now the logic of location also follows a hierarchical system: dominant companies have the advantage and power of locating themselves in the best places first, so that it is up to smaller companies to follow this movement and establish themselves in regions or cities close to these companies, and thus serve as a complement to industrial activity.

At the same time, there is also a hierarchical system between the CIS and other industrial centers located near the city of Feira de Santana such as the CIA and, mainly, COPEC. The predominance of industries such as Pirelli, General Tec (maintenance and repair of electric generators, transformers and engines) Metaph Industry (Structural Steel) and Viva Environmental indicate the approach of complementarity to the production of petrochemical complex of Camaçari or even ancillary services.

Regarding the industrial development of the district, according to Silva (2020) and SEI (2019), the main instrument "formal" use continues being the incentive tax, through the programs DESENVOLVE (Industrial Development and Economic Integration), PROBAHIA (Development Program of Bahia) and the Proauto (Special Program for Bahia automotive Sector Incentive), with the predominance of the first more than the others, which in turn has its main grant the deferral of the launch and the payment of VAT for up to 35 years in the acquisition of goods for the company's fixed assets, goods produced by the state, in the acquisition of goods from other units of the Federation in relation to the differential in rates and in operations related to the purchase of inputs from the agricultural and mineral extraction sectors .

This model of industrial development is criticized in studies by Fernandes Júnior (2005), Guerra and Teixeira (2000) and Silva (2020) and Suzigan and Furtado (2006), when they detected that tax incentives have guided the industrialization of Bahia since the beginning of 1960s creates “artificial advantages” in certain locations where industries are installed, and they only sustain themselves with the maintenance of the companies' incentives in a certain location. The authors still reinforce that, with the logic of industrial development via tax incentives, industries are in structural and financial dependence in which the closure of incentives not only carry on just to escape from the business location, but also to its bankruptcy.

Still on the effects of tax incentives, the authors emphasize that, so they are efficient from a fiscal point of view, they have to go through both their useful life and the start and end periods, and this dynamic of attraction industry, the endogenous processes in the global production chain happen such as the productive integration with the local chain (GUERRA E TEIXEIRA, 2000). It is necessary, both by the state and the municipal government, that an integrated industrial policy is designed with sectors of the locations, otherwise, the industry will be doomed to remain in the creation of artificial advantages or "fiscal war".

Regarding the future perspectives of the CIS, according to the studies by Silva(2020), the main fears were the extinction of the autarchy that managed the CIS in 2018, and the loss of autonomy on the part of the municipal power in promoting and developing industry in Feira. However, when analysing the data in Table 5, referring to the management of the autarchy, they demonstrate that before its extinction, the autarchy was no longer able to fulfill its functions of attracting investments for the Feirense industry.

Table 5- CIS Evolution of Predicted Expenses, collected and performed in 2012-2017

Year	Expense (R$)		Achievement (%)	Evaluation
	Authorized (a)	Committed (b)	(b/a-1) *100	Code/Definition
2012	4.194.000,00	10.512.821,84	150,66	5- Highly Deficient
2013	11.120.000,00	4.238.594,84	-61,88	5- Highly Deficient
2014	11.339.284,00	4.349.087,24	-61,65	5- Highly Deficient
2015	7.425.436,00	4.399.738,96	-40,75	5- Highly Deficient
2016	8.888.406,00	5.145.240,41	-42,11	5- Highly Deficient
2017	6.793.234,00	3.417.312,26	-49,7	5- Highly Deficient

Source: Elaboration of Gesner Brehmer Silva. Data basis: Government of Bahia Balance, CIS (2017).

Data analysis leaves no doubt about the incapacity of budget management by the autarchy responsible for the planning and execution of resources for the industrial development of the Industrial Centre. This generates a chain effect since, due to budgetary incapacity, the autarchy did not adequately fulfill the functions of establishing dialogues with the industrial sector of the municipality and of causing positive impacts on the industrial activity of Feira de Santana, such as the maintenance of district areas, the dialogue with the business class and industrial expansion, through new installation areas and the quick resolution of any problems.

However, the complete exclusion of one channel of dialogue between the government and municipal state to a so important sector to the Feirense economy such as the industry, and especially Subaé Industrial Centre, does not seem an appropriate way for the local industry to be more effective in economic and social development in the municipality. Yet inefficient, the local authority represented one fast formal channel of communication between entrepreneurs with the state and municipal administration, to be located within the city. The transfer of CIS responsibilities to a branch within the State Secretariat of Economic Development makes the dialogues of the various industrial sectors with the government difficult and geographically distant, since it will not be inserted in the local reality, making it difficult for new industries, as well as the generating jobs, infrastructure improvements and investments in the industrial pole.

Other problems of the CIS are also pointed out by the studies by Silva(2020) and SEI(2019), such as: i) the misuse of land available for industrial installation along the BR-116; ii) the lack of coordination and governmental planning, both on the part of the municipality and on the part of the State, in devising public policies aimed at the industrial development of the CIS; iii) infrastructure problems (expansion of urban roads) and public transport redrawing to meet the demands of the industrial centre to relieve the flow of people in the city centre and reduce the waiting time at the point of transport and arrival time at the destination.

Resizing the lines, therefore, will cause external stimuli to the so called externalities, so that the users return to use the public transport and, also, put pressure on the fare price reduction through the fare calculation, which is the cost per km / divided by number of passengers, and reduce the costs of the industries in transport, either on the issue of financial support for the travel vouchers of your employees, or in private transport rentals to escape the inefficiency of public transport.

Finally, the future perspectives of the CIS as an instrument of economic and regional development will involve the resolution of these problems mentioned in this paper and the planning and coordination capacity of the local government to think about actions to both solve these problems and foster new industrial processes that involve creating innovation and technology over the next few years.

In this sense, the present work intends to offer some solutions that can help to solve the current scenario, such as: i) the creation of an Industry Secretariat, which re-establishes contact between the industrial class and the government and is capable of promoting industrial activity in Feira both in attracting and executing investments; ii) use the power of education in the municipality of Feira de Santana through the municipality's universities and technical schools both to provide qualified labour for the industry, as well as to produce innovation and technology that generate an increase in industrial productivity

Still, it will be both the state and the private initiatives to formulate a long-term credible economic policy, aligned to the development industry, and that is necessarily geared to the development of innovation and technology, via education development.

Final considerations

The main purpose of this article is to discuss the current perspectives of the Subaé Industrial Center, in order to understand its dynamics and future perspectives. We have seen throughout the article, the entire industrialization process in the state of Bahia, formally started in the 1960s, concentrated mainly in the Metropolitan Region of Salvador, which motivated the state government to try to "move industrialization to the countryside", which is why industrial districts were created in several municipalities in Bahia, including Feira de Santana with the CIS.

With the installation of the CIS in Feira de Santana in the 1970s, the first major industrial transformation took place, in which industrial production changes the productive focus, previously based on livestock and tobacco activities, to the production of mainly complementary intermediate consumer goods to the capital Salvador.

This dominance lasted until the end of the decade of 1980 and the beginning of the year 1990 when the worsening of the national economic crisis, along with the political economy of industrial decentralization, promoted the second production shift in Feirense industry and has a focus on the production sectors of non-durable consumer goods.

It was also found that the 2000s brought with it a continuation of the same model of policy of regional industrial development, the strengthening of the capital productive restructuring in Brazil and the consolidation of the phenomenon of de-industrialization with significant impacts in all the national industry. At the same time, we noticed in Bahia, through the creation of identity territories, a new attempt at spatial and economic deconcentration that strengthened some cities around Feira de Santana and led to the creation of the phenomenon of concentrated deconcentration, in which small groups of cities, spread across the state, concentrate most of the economic activities, mainly in the Metropolitan Region of Salvador, and the rest are in a great economic vacuum.

It was noticed that the same problems twenty years ago continued to repeat, what revealed the exhaustion of an industrial model based almost exclusively on the award of granting taxes that created in one short-term environment, positive effects in the production chain, but with harmful effects in the long run if they were treated as the only "remedy" for the policy of regional development.

It was also found that the extinction of municipality was, indeed, a problem for the present and the future of the district, since it had the function of being a communication channel between the industry production and the governments. But since before its extinction, it has had serious problems of resources management and in making the role of dialogue for which it was created. Also, it was understood that the problem related to the lack of infrastructure has not been properly resolved, even with lots of land available for the creation of new industries, which revealed the lack of strategic oriented state planning articulation not only to the grant of land for industrial plant, but also to create the structural conditions for that to happen.

Other problems that affect the present of the CIS were also inferred, such as the issue of municipal public transport that incurs in further costs in productive structure of Feira and the need for public policies related not only to industrial development, but also much more complex and directly or indirectly integrated into the industry. Measures that can offer future alternatives to the CIS were highlighted, within the improvement of the national economic and political situation, such as the creation of a Department of Industrial Development in Feira, the strengthening of the connection of the productive sectors with the university and technical education sector, in addition to the creation of a new local development agency.

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