What are popular economies?
Some reflections from Argentina
Verónica Gago

What forms does living labour take, today, outside of the factory? In an Argentinean context, this question has grown in importance ever since the eruption of movements of unemployed workers at the beginning of this century. Such collective movements dis-located the workers’ ‘picket line’ – that classic deployment of force in the factory – by taking it to the streets and highways. Since then, a myriad of forms of work ‘without a boss’, exemplified by the hundreds of factories and companies that have been recuperated by their workers, have emerged as a response to systematic layoffs, bankruptcies and capital flight. Such projects gave rise to forms of self-management that have combined benefits packages won from the state with a strong desire for autonomy, territorial enterprises with popular assemblies, and the valorisation of community work framed by the urgent need to survive in an increasingly desperate situation.

In my 2017 book *Neoliberalism from Below*, I attempted to trace how forms of doing and knowing that emerged during the crisis of the early 2000s persisted in a specific place on the edge of Buenos Aires, a place that seemed to consolidate on a mass scale some of the premises initiated by a number of heterogeneous social movements, from barter exchange to neighbourhood assemblies, from the unemployed workers’ movement to the factories recuperated by their workers: that is, the popular market La Salada.

La Salada is situated at the border between the city of Buenos Aires and its periphery (the municipality of Lomas de Zamora), a zone which is home to thousands of people who, as a result of the systematic loss of waged jobs, have built powerful proletarian micro-economies. These economies bring together activities of production, commercialisation and consumption that emerged during the crisis but that, contrary to widespread expectations, have grown, expanded and become more complex over the last decade. Of course, this market space, where these multiple activities converge, does not have the same form or dynamic as a social movement. Instead it is characterised by a *promiscuous* organisational mode, occurring in a border territory, both because of its spatial location and the composition of its workforce. What stands out here is the development of what I call a kind of ‘vitalist pragmatics’, to which anti-capitalist priorities cannot be attributed *a priori*. It is in these variegated modes of production, distribution and consumption that precarious and self-managed forms are connected with some segments of ‘formal’ economic circuits. A number of ongoing projects to empower and expand the scope of ordinary people’s lives today find their expressive logic in these new economic spheres, where they are acquiring the capacity both to relate to and negotiate with traditional political institutions (which are themselves declining or being reworked according to new logics in which they are no longer the privileged mediator), as well as to foster subaltern networks where neoliberal rationality is neither unilateral nor all-encompassing.

In this sense, what I call in *Neoliberalism from Below* ‘baroque economies’ – another term for the ‘mottling’ (*abigarramiento*) of times and logics of operations, of the production of saturated spaces and of plebeian initiatives – is a way of naming the political constitution of popular economies as terrains of struggle where ‘neoliberal reason’ (a supposed norm of pure mercantile calculus) is appropriated, ruined,
transformed and relaunched by those who are supposed to be only its victims. The formula ‘neoliberalism from below’ reflects an acknowledgment of the ways that neoliberalism’s logic has been pluralised, and of the need to recognise popular attempts to resist and reformulate this logic – attempts that were also reshaped by it, and that suffered from it. By adopting this perspective, I seek to challenge totalising readings of neoliberalism as well as those analyses that understand it exclusively in terms of the definitive defeat of subaltern subjectivities.

This new proletarian landscape combines cooperation and exploitation based on bonds of trust, migrant economies, market networks, family workshops and remunerated reproductive tasks, linked to incomes from illegal and ‘underground’ economies. For this reason, the protagonists of these combinations cannot simply be categorised as ‘excluded,’ as ‘marginal’ or as a mere ‘surplus population’. To evoke a vitalist pragmatics, therefore, is to emphasise the immanent pursuit of opportunities under relations of force that are characterised by the persistence of neoliberal conditions. In this way, such a vitalist pragmatics enacts a logic that is not that of survival, but one that enables the contestation of new forms of ‘inclusion’ (especially through financial mechanisms for generalised indebtedness) and new forms of ‘citizenship’ – so many means of integrating people into the national community, no longer through labour rights, but rather through access to forms of cheap consumption.

These economies, whose material fabric is composed of cartoneros (informal trash pickers) and sewing workers, market vendors and care workers, cooks and community health practitioners, cleaners and small agrarian producers, and so on, constitute spaces that do not fully conform to the liberal republican schema but, at the same time, overflow the populist interpellation. Due to this interstitial capacity, they open horizons where the popular and the communitarian emerge as political dynamics that exceed the state but do not underestimate its power. The text that follows aims to survey the political relevance of the development of these popular economies, by trying to tease out some broad conceptual points and to indicate areas of research that remain relevant at the wider Latin American level.

The recent change of government in Argentina (with Mauricio Macri’s election in 2015), usually understood as another case of the ‘end of progressive governments’ in the region, ensures that neoliberal austerity will remain state policy for the foreseeable future, and guarantees rising service costs, cuts to subsidies and increases in both public and private debt. Questions about the contemporary transformation of modes of labour are thus inseparable here from another: how is class antagonism expressed in these spaces where living labour produces surplus value? To answer this question we need to untangle the premises and debates about popular economies that tend to systematise the heterogeneous map of labour practices operating beyond the factory. This concerns less a scene of transition than one of persistence and consolidation. As such, attempts to ‘regularise’ these economies, which are currently a battleground for the reconfiguration of urban spaces in Latin America, must be analysed along these lines.

To put it another way, the question is: how are forms of subjectivation produced through the multiplication of proletarian figures, that is, of those who – following Marx – depend on their labour power to sustain themselves and their place in the world, in situations where the wage (when there is one) is not the only or even the principal source of income, or where some sources of income (however small) are derived from state subsidies, and so could be better characterised as rent. In these popular economies, which register and expand the proletarian condition well beyond wage labour, a clear political dimension
is at stake: the production of figures, trajectories and initiatives that escape from the forced binary opposition between (failed or successful) victims or (failed or successful) neoliberal entrepreneurs. A new terrain and new subjective figures of struggle emerge from these developments.

In this sense, popular economies – as mottled, baroque economies – allow for a re-reading of the contemporary moment in Latin America in terms of the continuity of a certain democratisation in the field of production, and not only in terms of sequences in which organised subjects appear, in public, in forms of mass protest. My hypothesis here is that, in the concrete spaces where a desire for popular progress conflicts with capital’s attempt to capture new spaces of valorisation, ‘promiscuous’ territories emerge. These territories are enabled by popular economies and are crisscrossed by practices and subjects that are able to overflow neoliberal logic and to contest the dominant interpretation of the ongoing crisis.

1. Popular economies have a political genealogy.
We need to remember, first of all, the political connection between contemporary popular economies and the social movements of the previous generation that caused a crisis of legitimacy for neoliberalism in Latin America. In order not to forget the political origins of the constitution of popular economies, we must recall the links that were established between the popular sectors and the state’s distribution of welfare benefits and money. Over time, some temporary unemployment benefits were converted to programmes that recognised new self-managed forms of employment. Benefits from the state come to coexist with an increasing multiplicity of other sources of income. As such, any perception of a pure ‘dependence’ on the state is invalid. Emancipatory forces within popular economies can and do defy stereotypes of class, gender and race. When these forces are ‘disconnected’ from popular economies, however, the latter become economies of servitude and poverty, susceptible to new apparatuses of government that manage and pacify them.

Rather than try to treat popular economies as spheres in which ‘new subjects’ or ‘sectors’ can be detected and classified (an approach that privileges the fabrication of new identities over transformative social relations, and that prioritises questions of representation and misrepresentation over ongoing struggles to determine how social wealth is appropriated), we need to pay more attention to the migrant composition of popular economies, which is a fundamental dynamic in their origin, drive and versatility, and which resists any merely ‘national’ enclosure. This helps to expose how exploitation is carried out across sectors that tend to be characterised as excluded, or surplus, or simply invisible.

2. Popular economies are structured by antagonism.
Popular economies cannot be characterised as merely backward or anachronistic, and thus dismissed as marginal. Popular economies emerge from the crisis of neoliberalism, and they grow as an effect of the neo-developmentalist policies put in place after the crisis. Only by emphasising how moments of struggle – from the occupation of lands in the metropolitan peripheries to the occupation and recovery of factories abandoned by the bosses – sometimes break with the everyday order of things can we see how and when a historical novelty occurs: that is, when relations of domination and exploitation are altered, opening up (to adopt Raquel Gutiérrez Aguilar’s perspective) new forms of political decision-making about the common wealth.

Precarious modes of social inclusion, which characterise the transition from social movements to the proliferation of popular economies, always take shape in a field of tension with the state and the ruling classes. Popular pressure has forced some Latin American states to link diverse types of rent – driven by the neo-extractivist mode of incorporation into the global market, in sectors ranging from agribusiness and fossil fuels to financial sources of rent – to the conditions created by the ‘plebeian’ revolt of the early 2000s, as states attempted to recuperate the vitality of the revolt through the economic valorisation of the subaltern forces that drove it. These attempts have had ambiguous effects on the capacity of popular economies to endure over time, and to sustain their reproductive dimension – the organisation of daily life, the erosion of distinctions between workplace and household, between home and the
street. Essential to this capacity is the widespread memory, in popular neighbourhoods, of what Luis Tapia calls 'anti-institutional egalitarianisms'.

3. Popular economies reveal debt-consumption relation as a new form of exploitation. The debate about popular consumption that has taken place over the course of the years of economic growth following the 2001 crisis in Argentina tends to shift between two poles: some commentators frame it as the culmination of the forcible insertion of impoverished people into a subordinate position in the formal economy, that is, as a rejuvenated form of exploitation; others stress how plebeian energy can defy austerity mandates. The multiplicity of activities at work in popular economies are certainly exploited by forms of debt that are tied to the provision of credit for popular consumption. Here we have a type of exploitation which is no longer based on the wage-form, combined with the promotion (and financial consolidation) of consumption as a mode of social 'inclusion'. Welfare benefits have become the state's guarantee for loans from so-called 'non-financial' entities, bringing about massive levels of indebtedness. This mode of consumption – and this is what makes it problematically 'popular' – is characterised as being intended for non-durable goods and for the privatisation of services or responses to contingencies that could belong to the sphere of public infrastructure (for example, transportation or health care).

The expansion of credit and consequent generalisation of debt has long been recognised as a fundamental aspect of what Foucault analysed as neoliberal subjectivation. This expansion also enables, however, new practices of defiance. Disagreement about how best to understand this link between debt and consumption has been a key aspect of political debates in Latin America over the past decade. Álvaro García Linera’s evaluation of the Movimiento al Socialismo’s defeat in the 2016 referendum, for instance, stresses several concrete transformations in the social composition of the popular classes: habits and intensities of consumption, access to information (digital media that challenge the national assembly and the trade unions’ monopoly over information), the urbanisation of territories and indigenous identity become political-symbolic capital (even for obtaining positions in the state). As a result of these changes, MAS policies unwittingly produced the subjects who defeated it. The ‘revolutionary government’ (in García Linera’s terms) was overcome by changes in the former protagonists of the social movements that propelled the anti-neoliberal agenda in the 2000-2005 cycle. García Linera has thus come to see the growth of apparently depoliticised consumption as a factor that helps to explain electoral defeats. Mass consumption now figures less here as a form of modernisation and development that might help to legitimise ‘progressive’ governments – as it had often figured previously, in the speeches of García Linera and other government spokespeople – than as a factor to weigh up in the ongoing electoral calculus.

Versions of this argument have circulated in other countries too. In Brazil, the celebrated creation of a new middle class was first widely applauded as an element of the Partido dos Trabalhadores’s success, before being diagnosed as a sign of the decomposition of a key part of its electorate. In Argentina, what might be called ‘inclusion by consumption’ was often invoked by progressive analysts to blame the defection of the popular classes following the most recent electoral defeat: ‘the poor’, it was regularly claimed, ‘don’t recognise all the benefits they have received.’ Such analyses emphasise the undesired or uncontrollable effects of upward mobility, of inclusive modernisation or of neo-developmentalism (these variations in the lexicon are important), without acknowledging the critiques of the mode of subjectivation and of decomposition of the community base that have been made by a number of people in a number of spaces.

4. Popular economies are a field of dispute for finance (and theology). A line of investigation that connects finance and processes of the constitution of popular subjectivities may help us to understand the way in which certain categories of people, who were once excluded from economic life, are now interpellated and yoked to a new mode of exploitation. A multiplicity of efforts, savings and economies are mobilised or ‘put to work’ at the service of finance. The rationality of finance thus becomes a code for ho-
mogenising that plurality of labour, income sources, expectations and temporalities.

How is the value produced in these financial webs calculated? Observing informal economies in Asia, and highlighting their spatial and urban dimensions, Abdoumaliq Simone notes the profusion of different fiscal systems, supported by ‘their own forms of speculation, securitisation, debt swaps, and derivatives’, which exploit the multi-dimensionality of those spaces: houses that are workshops, factories that pretend to be hotels, offices that try to be homes, and so on. In order to make sense of ongoing extractive operations beyond the conventional reference to the mining of raw materials in Latin America we thus need to stress their ‘expanded’ dimension. By invoking such ‘expanded extractivism’ I want to draw attention to the way in which finance operates in specific concrete territories, cultivating forms of subjectivity characterised by the multiplication and instability of labour.

According to Spinoza, recourse to theological-political forms of governance serves to pacify forms of popular knowledge and force, and to rationalise the prevailing social order, presenting it as the result of a generalised passivity (or passion). In our own context, León Rozitchner has analysed the conjunction between the abstraction and the moralisation of the body as an original moment in the production of commodities, under the inseparable duo of Christian-ity and capitalism. He then applies this hypothesis to political philosophy, to explore how a certain consecration of order comes to figure as a parable of the beginning of the political (Hobbes) – an order that must first surrender itself to fear and terror in order to be produced as disaffected and disembodied, in favour of an abstract sovereign. Is it possible, more broadly, to consider such a theological-political dimension as a dynamic that structures the current financial hegemony of capital? Edward LiPuma and Benjamin Lee, for instance, speak of a ‘financial community’ that operates as a sort of ‘orchestra without a conductor’, and that materialises a complex ‘amalgamation of social, economic and political relations into a single recognisable object (like a derivatives contract) that then appears to be independent of these relations because these relations are not part of the manifest appearance of the object or instrument.’ Risk is thus separated from the social context that creates it and from the social relations in which it is embodied, to be reassembled in an abstract form that is capable of becoming a ‘measure of volatility.’

I think that it is urgently necessary to think about how finance – not only in derivatives, but in a multiplicity of forms, including its heterogeneous activities in popular economies – animates scenes of secularised theological political power, reviving the idea of superstition that Spinoza considered to be an assault on the exercise of collective thought. In turn, we must analyse how finance enables a new type of extractive dynamic, which is capable of providing an abstract and moralising code for contemporary accumulation. These questions allow us to refine the concept of ‘financial exploitation’, based on empirical investigations of popular economies. Additionally, it leaves open the fundamental question: what kinds of political contestation can emerge in the face of reinvigorated forms of financial exploitation?

5. Rather than stem from mere deproletarianisation, popular economies enable the multiplication of proletarian figures. Étienne Balibar argues that precarisation, and the drive towards a debt economy, is generating a new historical wave of proletarianisation. Mezzadra and Neilson focus on the multiplication of labour, as a way of accounting for three simultaneous and international processes: the intensification, diversification and heterogenisation of labour. Michael Denning has used the figure of ‘wageless life’ to think beyond deproletarianisation, and in order to accommodate a multiplication of proletarian figures. All these analyses demonstrate how popular classes that are sometimes, in some academic and political contexts, simply dismissed as ‘bare life’ or surplus populations, instead retain an essential productive capacity. Achille Mbembe’s reference to a ‘surplus population’, for instance, omits those forms of exploitation connected to the mechanisms of debt-consumption that I evoked above.

By arguing this, I don’t mean to underestimate the way in which these populations are continuously figured as minoritarian, criminalisable and replaceable. Such processes, however, must be assessed to-
gether with forms of inclusion through consumption, i.e. operations that incorporate popular sectors via new modes of exploitation, built on multiple forms of dispossession. Identifying popular economies as proletarian micro-economies allows us to highlight the daily struggles over social cooperation that occurs within them; these struggles take manifold forms, ranging from disputes about the distribution of power within cooperatives to mobilisations claiming basic social services. It also sheds light on the fact that what is at stake here is not merely a survival economy but more generally a dispute around social wealth. Understanding popular economies as proletarian micro-economies, therefore, helps to counter any effort to ‘naturalise’ wealth in Latin America, which is still so often treated only as a continent of natural resources and raw materials.

6. Popular economies play a role in the debate over how to characterise contemporary processes of accumulation. The state’s mediation, Partha Chatterjee argues, intervenes in the lives of dispossessed populations through direct transfers of money and merchandise, subsidies to public services, ‘easy’ credit, and permissiveness about taxes and labour laws.\textsuperscript{15} ‘The crucial condition’, he stresses, ‘is that all of this should be done without risking the formal legal structure of property and civic norms. This condition is achieved in the majority of cases by administrative decisions that treat these specific cases as exceptions to the law.’ His hypothesis is that these governmental techniques are the inverse, the other side, of the dispossessive effects of so-called primitive accumulation, revealing that politics provides the space of negotiation to govern the ‘outside’ that capital itself produces. One problem with this interpretation is that it presents capital as the only actor in production. Or perhaps what is distinctive about Latin America, by comparison with the theoretical framework forged by Chatterjee with respect to India, consists in the way the ongoing crises of legitimacy of neoliberal policies provide a series of elements that, at least virtually, continue operating beyond their strictly governmental codification.

In any case, we could situate in these popular economies an analysis of what Nancy Fraser calls ‘boundary struggles’, in which capital permanently seeks to extract value from ‘informal grey zones’.\textsuperscript{16} Fraser rightly underscores the relationship between massive non-neoliberal subjectivation possible. Our priority should not be to find a ‘guarantee’ of autonomy or a means of preserving the ‘purity’ of processes of self-organisation, but rather to understand the material foundation of that gap. Rather than emphasise their post-proletarian quality, in short, I want to argue that the indetermination that emerges in these popular economies is best understood in terms of the persistence of elements that arose during the insurrectional sequences of the early 2000s (in Ecuador, in Argentina, in Bolivia) – but these elements are all the more strained, the more their productive spaces are absorbed within the machinery of neoliberal governmentality.
semi-proletarianisation and neoliberalism, a strategy of accumulation that relies on the expulsion of millions of people from the formal economy toward those diffuse zones of informality. Thus, in her argument, expropriation becomes a mechanism of ‘nonofficial’ accumulation, while exploitation seems to remain the ‘official’ mechanism. It is important, however, as I have tried to do here with the category of ‘expanded extractivism’, to remember the simultaneity of exploitation and dispossession, and their mutual interweaving. The popular economy moves in a sphere that subsists to the extent that it can draw on ‘hybrid and indeterminate forms of property.’ This formulation is from Marx, who argues that the poor found ways to draw sustenance from the preservation of forms of ‘indeterminate property’ – a question Marx studied in his early articles on the theft of firewood, and the Mosel grape growers.17 State law will then try to do away with this imprecise, fluctuating and hybrid character, on the margins of private property. The end of such indeterminate forms of property occurs when a series of goods are incorporated into capitalist valorisation, whereby that which previously was not a commodity becomes one. At the same time, as Marx shows, the penal apparatus evolves to target new forms of social criminality; in the process, to quote Ernst Bloch, ‘law becomes an instrument of plunder’, dedicated to the increasing privatisation of previously common resources.18 In this way, crime becomes a source of rent. To this, Marx opposes another conception of law:

[We] demand for the poor, politically and socially propertyless many what the learned and would-be learned servility of so-called historians has discovered to be the true philosopher’s stone for turning every sordid claim into the pure gold of right. We demand for the poor a customary right, and indeed one which is not of a local character but is a customary right of the poor in all countries. We go still further and maintain that a customary right by its very nature can only be a right of this lowest, propertyless and elemental mass.19

This common law is not nostalgic but is anticipated by customs, which is not the same thing. Forms of oscillating or ‘indeterminate property’ reflect, in their ambiguity, a kind of obligation to poor populations, an acknowledgement of their dispossession – whereas once it has been legalised, this dispossession simply functions as a source of rent.

Animated by an ‘impulse for justice,’ the common law that Marx invokes cannot be dismissed as merely local or anachronistic. By deploying it in opposition to those forms of accumulation by dispossession under way in his own time and place, Marx shows us how we might, in our context, again and again, renew its contemporary relevance.

Translated by Liz Mason-Deese

Verónica Gago is Professor of Social Sciences at the University of Buenos Aires and author of Neoliberalism from Below: Popular Pragmatics and Baroque Economies (2017).

Notes

1. See Verónica Gago, Neoliberalism from Below: Popular Pragmatics and Baroque Economies, trans. Liz Mason-Deese (Durham, NC: Duke University Press, 2017). I use the term ‘baroque’ together with the adjective ‘mottled’ (abi-garrado) in conversation with two Latin American thinkers: Bolívar Echeverría and René Zavaleta Mercado. Echeverría’s baroque refers to the arts of resistance in colonial societies, as constitutive moments of Latin American modernity. The term ‘mottled’ in Zavaleta Mercado names the superimposition of territories, logics and temporalities that is also constitutive of Latin American societies, where forms of life and political organisation coexist that do not respond solely to the principle of national state sovereignty. See Bolívar Echeverría, La modernidad de lo barroco (México: Ediciones ERA, 1998); René Zavaleta Mercado, Lo nacional-popular en (México: Siglo XXI, 1986).
6. See, for instance, Silvia Rivera Cusicanqui, Mito y desarollo en Bolivia: el giro colonial del gobierno del MAS (La Paz:

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