

***Making Money Without Money: The Street Vendor Explosion in Bolivia,*
Nico Tassi, Carmen Medeiros, Antonio Rodríguez Carmona, and
Giovana Ferrufino, La Paz, PIEB, 2013.**

The core of this research conducted by the Bolivian Strategic Research Program (PIEB) addresses the informal street vending boom in Bolivia, highlighting the “longstanding” history of interlinked Andean trade (based on the principles of kinship and reciprocity), pushing the boundaries of classical economics theory.

As its central hypothesis, the book departs from the premise that the informal street vending system in Bolivia is the rule, rather than the exception, for commercial relations in the country. Underlying these relations are creative strategies, both from the indigenous and *cholos*, which have become imbedded in the interstitial spaces of the current hegemonic colonial-republican project. These strategies are oriented towards the consolidation of an “alternative institutionalidad.”¹

However, the methodological strategy of this study of Aymara merchants seems to end in the formal description of the phenomenon, presenting the emergence of the research subjects as the result of merely one single event: the street vending boom at the beginning of the twenty-first century. There are various categories based on the Zavaleta proposal to characterize the historical backdrop of this emergence: the “motley society,” in other words, the transposition of various economic ages into a single scenario (which in the case of Bolivia, come from the Andean rural farmers and the mining unions), which together comprise the “historical backdrop” of the Andean society.²

El Alto, where the research took place, is perhaps the Bolivian city that most epitomizes the overlapping of diverse economic ages. This diversity can be summarized in two key pillars: 1) the work of the ex-miners that ended with the largest labor displacement in the history of Bolivia with the neoliberal economic relocation project in 1985; and 2) the gradual displacement of rural farm workers to the city in light of the failure of the 1952 agrarian reform. The rural farmer-union model is continuously called upon by Aymara vendors when developing cultural strategies for solidarity and reciprocity, and as such, it is fundamental to consider it in any study of the Bolivian altiplano reality.

The book deals with three themes. The first sets forth a theoretical debate about how to address informality in informal or “popular” economies and their insertion in “bottom-up globalization,” coining the theoretical approach to informality proposed by Alejandro Portes and Manuel Castells. It begins with a critique of the functionalist theories of modernization, presenting informal vendors as the unobjectionable evidence of the exhaustion of the paradigm of unilinear and positive modernity. Although the phenomenon of “bottom-up globalization” can be interpreted as an area of opportunity for local strategies and the international networks of Aymara vendors (as these authors would contend), it would also be fitting to note the negative tension entailed by the alienation of informal economic activities to the integration, still vertical, of global trade.

¹ Tassi, N., Medeiros, C., Rodríguez, A. and Ferrufino, G. (2013), “*Hacer plata sin plata.*” *El desborde de los comerciantes populares en Bolivia*, La Paz, PIEB, p. 8.

² Zavaleta, R. (1986). “Las masas de Noviembre,” en Zavaleta, R. (comp.). *Bolivia Hoy*, Mexico, Siglo XXI Editores, 215 pp.

The book continues by challenging the limitations of defining the informal economy based on its opposite (formal), underscoring that ethnographic studies have shown there is legitimate space for a substantial description of its actors, moving thus towards the concept of the "popular" or informal economy (Tassi and Medeiros, 2013: 29). This methodological proposal is circumscribed in the economic anthropology debates that Karl Polanyi³ inaugurated in the 1950s in his canonical work *Trade and Market in the Early Empires*.⁴

It is also necessary to qualify this by saying that the substantive emphasis of anthropological studies is not exclusively to research "primitive" societies. If we manage to combine the Zavaleta proposal of the "motley society" and anthropological studies with a substantive economics approach, we will be standing on fertile ground to address the explosion of the Aymara informal vendors.

The second pillar of analysis resides in the role played by the reappropriation of the primary export pattern (principally gas) by these "popular" economic actors in the process of change in Bolivia. By way of a macroeconomic analysis, Tassi and Medeiros suggest the deepening of the primary export pattern as a result of the sharp increase in traditional exports (hydrocarbons and minerals). This economic growth has been reappropriated by these "popular" economic actors through the transfer of the Direct Hydrocarbon Tax (IDH) to local governments and the direct collection of extractivist revenue through mining and coca cooperatives. This redistribution of the primary surplus, the authors continue, has translated into the rising purchasing power of the base and, therefore, an increase in credit, as well as an increase in imports, given the incapacity of the domestic industry to satisfy this demand (Tassi, Medeiros, *et al.*, 2013: 72). In this current virtuous cycle are situated the Aymara vendors, because they seem to be most the efficient actors in importing goods, primarily Argentine and Chinese, given their network of agreements.⁵ From this description, a bit linear and mechanistic, of the current Bolivian context,⁶ emerged the body of research revolving around the exposure of trade networks and local street vending strategies. In regard to street vending networks, there is a backbone of Pan-American trade running through Arica, Iquique-El Alto, and La Paz-Cochabamba-Santa Cruz-Puerto Suárez, which props up the market, the same from which the "new institutions" and local structures will emerge.

³ Although in the 1920s, Malinowski was already questioning the universality of *homo economicus*, it was not until Polanyi that anthropology completely discarded the use of classical economic concepts in the analysis of primitive societies, giving rise to the substantive economics approach.

⁴ Polanyi, K. (1976). *Comercio y mercado en los imperios antiguos*, Barcelona, Labor, p. 46.

⁵ It would be necessary to add that in Bolivia there is no transnational transportation logistics network, whether due to lack of infrastructure or the adequate functioning of local and family transportation networks. As such, supermarkets, which are managed by multinational companies, rapidly succumb to local networks in order to operate with advantageous costs of transportation.

⁶ There are serious deficiencies in presenting a macroeconomic analysis (based on the principles of economic homogeneity and perfect competition) when addressing the consequences of the social redistribution of the surplus in Bolivia. This research could use a discussion of the development paradigms entailed by the boom of the "popular" economy. For more details, see: *El desarrollo en cuestión: reflexiones desde América Latina*, by Fernanda Wanderley (coord.).

Of note are the *Pasanako*,⁷ the role of gifts and parties among vendors, and the *Aynuqa*,⁸ practices that respond to the syncretism of the original peoples-ancestral and modern-union logics. These strategies are articulated based on various traditional institutions, such as: guilds, unions, neighborhood associations, and confederations, permitting the consolidation of neighborhood policies based on proximity, which the sociologist Pablo Mamani refers to as “micro neighborhood governments.”

The book's insistence of the role of new cultural meanings and the emergence of "new institutionalities" in street vending is limited to the description of the original peoples' practices as described by the street vendors themselves. These conclusions would be enriched with a more detailed semiotic analysis of the practices and discourses of the original peoples, which are so recurrent in the process of change in Bolivia and seem to somehow combine a subordinated peoples' culture with emancipatory displays.

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⁷ The *Pasanako* is a basic financing system used in the Andean region, based on a commitment made within a group. Members must make economic contributions that can then be used in shifts, and mutual trust is essential. In the case of street vendors, *Pasanako* has been used as a way to finance the costs of transportation, whether from China or from Iquique, Chile.

⁸ *Aynuqa* is a mixed form of collective and individual ownership unique to the Aymara world. In the context of street vending, despite the fact that there is family commercial capital, it is divided into diverse individual capitals, aiming to prevent vertical hierarchies.