
RESEARCH

Problem and Power: Informal Commerce Between Repression and Enterprisation

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More often than not, the idea of ‘informal commerce’ is associated with precariousness, informality, illegality, and poor product quality. This is the common representation of this market historically and systematically built based on everyday conversation, official discourse, and the media, which also tends to reinforce the aspects of insecurity and disorder of the spaces and marginality of those involved to describe it. Based on interviews, media coverage, and ethnographical observation of business practices carried out by a group of traders, the objective of this paper is to analyze the transformations this market has gone through in recent years and reflect upon the reasons for, and the effect of, new regulatory strategies that were put in place. I shall discuss this transformation in light of the concept of enterprisation of informal commerce (i.e., the application of enterprise models to such business activities), which have been transforming spaces, regulations, and even workers’ conducts, perceptions, and expectations. I hereby argue that regulatory strategies have been set forth based on a double narrative that responds to both economical exploitation interests and the discourse against certain illegal activities, and that this resulted in a process of labor gentrification.

Keywords: Informal Commerce; São Paulo; Feirinha da Madrugada; Entrepreneurship; Enterprisation

Introduction

I have vivid memories of the day I first visited the nocturnal street market in Brás,¹ in mid-2016. I strolled down a very familiar path that I had covered many times during the day. However, at night I felt like an alien there. There was no one on the streets. My starting point was a small guest house close to the metro station. For about 10 minutes, I strolled around the historic neighborhood, heart of the state’s industry between 1930–1950, and massive buildings that once were fabric factories and have been gradually occupied by shops and shopping centers since the 1990s.

Statistically, Brás is currently one of the most violent districts in the city of São Paulo.² The media greatly emphasizes the actions of thieves and the influence of crime organizations in local trade. When I walked

¹ Once a predominantly rural area, Brás turned into a working-class neighborhood, then a center for Italian immigration, and afterward a destination for intense migration from the northeast of Brazil, which gave rise to one of Latin America’s largest and most important informal markets. Factories fled from Brás in 1970, which led to fewer job opportunities, reduction in population, physical deterioration, and abandonment of industrial barns. Thanks to the permanence of clothing manufacturers in the area, this shift resulted in the intensification of economic activities related to services, wholesaling, and retail. There was also an increase in the number of street vendors, who took advantage of the great circulation of people between train, metro, and bus stations. This is a quick overview of how Brás came to be. For practical reasons, I opted for keeping this description short, even though I believe knowing its history is important to understand the current setup and dynamics of the informal commerce in the area. For additional information regarding the neighborhoods’ development, refer to the following references: For a historic background of Brás as a prominent industrial district, see Torres (1981); for the impact of Italian immigration in the area, see Andrade (1994); for the migration from the northeast of Brazil and its relation to the informal commerce, see Gomes (2006).

² In 2017, the homicide rate in Brás was 38.76 per 100,000 inhabitants overall and 133.45 per 100,000 inhabitants for youngsters. This makes it the subdistrict with the highest number of homicides in São Paulo, according to Rede Nossa São Paulo’s Inequality Map. However, Brás’ population density is among the smallest in the city, which makes it necessary to relativize those rates, because proportional numbers may indicate something different. Furthermore, according to the São Paulo Secretariat of Public Safety, 1,348 robberies and 3,805 thefts were registered in the neighborhood in 2017.

along closed doors at 3:00 a.m., the feeling of insecurity escalates. While strolling down the most deserted part of the route, I stumbled upon five people: two rushing women, one man pulling on a large sack trolley, and two youngsters sitting in front the metal door of a shopping arcade. The possibility of being robbed crossed my mind.

All of a sudden, demographics changed quite radically. As if out of nowhere, streets were flooded with people, stalls, bags, carts, mannequins, and products of all types, among which clothing items and fabrics prevailed. The space in the early hours was filled with colors, lights, shouts, smells, and music. Traders' faces and accents gave away a great variety of ethnicities, the most notable being those from different parts of Brazil, China, and Latin America (mainly Bolivia, Peru, Paraguay, and Ecuador). There was also a significant number of street vendors of African descent (fewer in the early hours than during the day), especially from Senegal, and Haiti, selling their goods over linens along the sidewalks and occupying more peripheral positions at the market.

Wooden planks over iron tripods are used to improvise small stalls where goods and mannequins are displayed, advertising the items available for sale. The main commercial item is clothing. Some streets have up to four rows of stalls, which leaves three aisles for the circulation of customers.

Some snack bars also operate there. Together with food carts, they provide the first meal of the day for traders and thousands of customers who traveled many hours from different parts of Brazil—and sometimes from other countries. The consumer public is diverse, but wholesaling stands out: lured by low prices, thousands of *sacoleiros*³ come all the way to buy goods to resell in other cities, states and across borders. Many come in chartered buses; the space known as *Feirinha da Madrugada* alone has a parking lot for 300 buses. Business activities extend till dawn so that customers can buy goods during the night and be ready to resell them in different locations the next day.

Several open doors reveal a large number of arcades segmented in small spaces (called boxes) that sell the same types of merchandise found in the stalls on the streets. By the doors, retailers show off their goods in hangers to lure customers into the more discrete arcades. Another standout are the new shopping centers that trade low-cost items and also feature hotels, restaurants, and parking lots for cars and buses.

More often than not, the idea of informal commerce is associated with precariousness, informality, illegality, and poor product quality. This image is historically and systematically reproduced in everyday conversation, official discourse, and the media. Unsafety and disorder are also divulged aspects of these spaces, as well the marginalized status of people engaged in these activities, which is twofold: it refers both to the distance between them and formal workers and also to the perception that they would pursue higher personal gains by performing activities at the margins of legality. However, studies have identified several changes in informal markets of different Brazilian regions over the past years. Researchers identified new worker profiles (Durães 2013; Rangel 2017) and changes to social statutes of such activities; once relegated almost exclusively to marginal positions, they are now recognized to be tied to large production and circulation chains (Rabossi 2004; Pinheiro-Machado 2011; Freire da Silva 2014).

Informal markets are no longer mere spaces of poverty and illegality. In the attempt to comprehend their reconfiguration and their significant role in urban economy, the main objective of this paper is to analyze recent transformations faced by informal markets by reflecting on the meaning and effect of regulatory strategies, which respond to both economical exploitation interests, and anti-informality and anti-illegal activity discourses.

Given that informal commerce is related to work relationships at several levels, I focused on a particular segment of this universe: the workers at indoor spaces, chiefly those who work at *Feirinha da Madrugada* and at the new arcades commercial spaces and shopping centers for *sacoleiros* in the Brás district. One shall consider that the merchants who work at these spaces perform their activities in a significantly less precarious manner than street vendors in terms of working conditions, stability, and even institutional safety. I opted for this group because indoor arcades are a relatively new element in this universe. They brought along with them different perceptions and expectations about their activities and offer a privileged perspective of the resulting tensions that exist even between integrable elements of this new organizational model of informal markets.

Through ethnographical observation of everyday activities of a group of merchants, interviews, and recent media coverage, I shall discuss the changes in this universe and their relation to the enterprisation of

³ In Brazil, *sacoleiros* are people who travel to buy large amounts of goods at lower prices in order to resell them in their place of origin. The term stems from the large bags (*sacolas* in Portuguese) they use to carry the goods.

informal commerce.⁴ *Enterprisation* means the combination of three operations: (1) infrastructural changes (moving trade to indoor spaces) reflected in the creation of new shopping spaces, hotels, and services targeting this audience; (2) the creation of an MEI (the Brazilian acronym for Individual Micro-Entrepreneur) regulatory act whose goal is to convert street vendors in micro-entrepreneurs; and (3) the subjective adaptation of agents and the propagation of the entrepreneurial discourse.

The Enterprisation of Informal Commerce

A series of studies have pinpointed enterprisation strategies—usually travestied as modernization—of market spaces associated with the work and consumption of lower classes in several countries, such as Argentina (Kopper 2015), Mexico (Crossa 2016), Ecuador (Bromley 2002), Peru (Bromley & Mackie 2009), and also in more developed countries, such as the case of the English towns studied by Gonzales & Waley (2013). All these situations rely on the existence of large stakeholders who see economical potential in business spaces that once were repressed or barely tolerated in big cities.

The Brás district, in the heart of the city of São Paulo, is considered a benchmark for informal commerce in Brazil. According to the Brás Retailers Association (Alobrás),⁵ local commerce spans across 55 business streets and 5,000 shops and creates 150,000 direct jobs and 300,000 indirect jobs. Circulation is estimated at 300,000 average visits per day, peaking at 1 million close to commemorative dates. The market's annual revenue was estimated at R\$ 13,300,000,000 (nearly USD 3.5 billion) in FY 2014. This may be a conservative figure because it is difficult to calculate the revenue of informal activities.

The global dimension of informal commerce in downtown São Paulo, which can be described as a node of the 'globalization from below' (Portes 1997; Tarris 2002; Knowles 2014), makes any attempt of legal classification very difficult, especially at a wider scale. Given the variety of means of production and commerce in this space, many are the types of activities that move around different regulatory statutes. The goods found in Brás come from different origins, but three are predominant: China, the Northeast of Brazil, and local production (there are many factories and shops of all sizes, with different legal statuses, located in Brás or in the city outskirts).⁶

Freire da Silva (2018) highlights the necessary negotiations for the massive amounts of Chinese merchandise reach low-income markets like Brás, whose target audience is the lower classes that circulate in those spaces. Even though this merchandise goes through the Internal Revenue Service, Freire da Silva states that throughout their trajectory, the goods are subject to corruption performed by fiscal authorities at customs and other public officers (Freire da Silva 2018). It is also common for these goods to be underdeclared, and there are known loopholes in customs inspections carried out in ports.

In her research about the transnational commerce involving China, Brazil, and Paraguay, Pinheiro-Machado (2008) shows that it is possible for a counterfeit product to be legally imported and sold at a Paraguayan shop after being manufactured at a Chinese plant. Illegality comes into place when the product arrives in Brazil and this happens for two reasons: (1) Brazilian copyright laws; and (2) the goods' form of entrance in the country (often as contraband). As Rabossi (2004) points out, it is precisely the existence of regulations that enables agents to profit from their violation.

Hence, the negotiations that define illegality—as well as tolerated and repressed illegalisms (Foucault 2012)—in each context happen throughout the whole merchandise's life cycle. In this sense, the lines that separate formal, informal, legal, and illegal activities are practically indiscernible. For the reflection I proposed, the possibilities of such classification are only important to the extent that they offer a social and political field that enable the criminalization of activities commonly performed by subordinate social groups (Feltran & Horta 2019).

In this sense, the negotiation of political merchandise (Misse 2006) is the reason why arcades and shopping centers in Brás are allowed to trade large amounts of counterfeit products, whereas Haitians are violently repressed for doing the very same on the streets. As Hirata and Grillo (2019) note on the drug trade, the political markets are paramount for the operation of markets based on illicit activities, since they enable a better flow of otherwise banned products.

⁴ This study was conducted with the support of Fundação de Amparo à Pesquisa do Estado de São Paulo (FAPESP), Process no. 2015/12742-7.

⁵ Available at <https://alobras.com.br/conheca-o-bras> [Last accessed 26 September 2018].

⁶ Rizek (2012) discusses the broadening of the production circuit and shows its spatialization in the outskirts of São Paulo, which occupies a gray area that defies any attempt of characterization. The author reveals that workshops of all sizes and regulatory statutes create a productive territory where sweatshops, pseudocooperatives, and entrepreneurial agencies come together, including mediating relationships with government income-generating programs.

However, criminalized illegalisms are often exposed and many are the proposals to regulate these markets. In the last 10 years, for example, there was a boom of new informal shopping centers in Brás. They consist of large spaces segmented into what are called boxes, adapted for the display and storage of merchandise. These new enterprises are the result of private investments that, supported by the government, promise to improve this line of business and consequently bring benefits to society as a whole. These enterprises are allegedly capable of attracting other customer profiles to the informal commerce, thus boosting its economic significance, and are also present in moral and political discourses: Once peddlers, these traders can now become entrepreneurs and rent their own space at the arcade's new commercial buildings, which may lead to a reduction in criminal activity (mainly due to the control of counterfeit products) and to aesthetical changes in these markets, usually associated with poverty and disorder.

Alba and Freire da Silva (2014) highlighted part of this process when analyzing the growth in demand for space in shopping buildings, associating this movement with the repression against street commerce, which led to the convergence of private investments and violent production of urban order. Hirata (2014) also discusses the changes in informal commerce in São Paulo: He highlights the formalization trend of these activities under new ordinance, which responds to both the rise of entrepreneurship and 'military-security' control strategies of urban spaces.

The actions affecting informal markets stem from different matters and showcase a specific and contextual combination of the discourses about what is 'good for the community' and what is 'good for business' (Araújo 2019). Proposals for urban revitalization, public safety, and the end of informality and illicit activities converge with the identification of economic possibilities in a space once seen as precarious and unrecoverable. Hence, informal markets are ambivalent symbols in the sense that they are perceived as trailblazers of an important economic niche and, at the same time, a stigmatized activity.

The same street commerce that helped build Brás' business reputation is also a token of urban degradation and illegality, represented by the trade of counterfeit goods, contraband, and stolen items. There is also a common sense that this type of activity prevents proper circulation of people and cars on the streets, and thus its repression is seen as a way of 'revitalizing' the space. The increasing number of shopping centers is partly justified by the will to modernize, which in this perspective also implies reorganizing according to the market logic.

Operating under the market logic means that only those who can afford to adapt to the desired business model are accepted to stay. Private stakeholders who invest in the new shopping centers expect to achieve return on investment through rent, which tends to be too high for the majority of workers—a box can cost over R\$4,000 (around US\$ 1,100) per month at the busiest arcades. Because contracts are precarious and can be easily broken, those with more difficulties to invest are practically banned from the best spots, which in turn are increasingly more expensive due to higher customer flow. Hence, even though less capitalized traders do not abandon Brás, they are displaced to areas with less business potential and, consequently, earn lower incomes.

Rent goes up every year. They may charge a *luva*.⁷ I'm not sure how much that'll be, R\$5,000, R\$ 10,000, R\$30.000,00 ... I can't afford it.... I don't know if it's legal or not, it's just the way it is. I'll have to go look for someplace else where rent is cheaper. (Jorge, 42 years old, trader at a shopping center in Brás)

In addition to the investments in infrastructure in informal commerce, there is also an increasing trend of workers' formalization policies. This happens particularly through the incentive to entrepreneurship. If the regulation of informal commerce has long been an issue for the government, there has been an effort to shift the way such activities are perceived by transforming street vendors in small entrepreneurs. In contrast with the repression strategies commonly used to deal with informal commerce, the entrepreneurial logic innovates by fostering certain business practices, building partnerships between the public and private sectors and creating programs to promote workers' stability through the possibility of formalizing their enterprises (Hirata 2014).

⁷ In business jargon, *luva* is an amount of money paid by a tenant in exchange for the commercial value represented by a certain business spot. It is common practice in commercial real estate and is usually charged only once, at the time the tenant signs the renting agreement. Nonetheless, given the fragile aspect of contracts in informal commerce, there have been reports of yearly charges. The value tends to vary according the commercial flow of each shopping center.

The most important initiative was the creation of MEI. With the aim to regulate informal workers, this is a relatively cheap and less bureaucratic way of opening one's own business. Once officially registered as MEI, traders have easier access to credit and social benefits, such as paid sick leave, age/invalidity pension, and maternity leave. In other words, by becoming a businessperson, traders have access to labor rights. In spite of the formalization discourse surrounding MEI, it is worth noting that the program only covers part of the activities. What is the formal statute of a MEI trader who sells counterfeit goods? In fact, what actually comes into play is a shift in illegalisms: they give rise to new positions in which workers can be classified on a scale of criminalized activity. That is to say, even when selling counterfeit merchandise, MEI traders are not subject to the same type of sanctions faced by street vendors. In addition, the status of their business location now plays a role on legal accountability for the practice of criminalized activities.

In any case, a great part of traders from Brás adhered to MEI due to the possibility of access to social benefits and to set themselves apart from informal traders. However, it is necessary to note that the 'success' of this policy is tied to coercion and to the power differential. Many of the popular shopping centers currently require traders to have a business registration to operate. One reason for it is that this way, real estate owners exempt themselves from responsibility regarding potential crimes that may take place at those spaces. This is important because MEI does not effectively rule the statute of merchandise, regardless of whether or not traders are registered businesspeople.

Furthermore, it is worth noting that the conversion of street vendors into registered businesspeople was, in many cases, a violent process. Several police raids were carried out to restrain street commerce. The most notorious occurrence came to be known as Operation Delegation (*Operação Delegada*) in December of 2009, which mobilized a large number of police officers to suppress street commerce. As Freire da Silva (2014) observes, the demand for space in the new facilities is closely related to the repression of street commerce because it forces peddler out of the streets.

The demand forged by street commerce repression impacted renting prices of the boxes within Brás' shopping centers and arcades—nowadays, they can cost more than business spots in more 'noble' areas.⁸ This has not translated into an actual decrease in street commerce, but the existence of a more legitimate market model—at least in the government's and part of society's perspective—now serves as justification for even greater coercion. In this sense, it is not a governed universe but rather one that is traversed by the 'will to govern' (Rose & Miller 2010), and even failures have their role in shaping actual possibilities and practices. The dialects between fostering entrepreneurship and suppressing informal commerce outlines the process of public legitimation of another informal commerce model, whose protagonism must be taken by large private investments. The case of *Feirinha da Madrugada* is especially interesting in this sense because it went from a little-known place where street vendors used to trade their goods during the night to the object of billionaire investments.

***Feirinha da Madrugada's* Enterprisation Process**

Feirinha da Madrugada was once a business center located at the facilities of a former Federal Railway Service that had been long ceded to private administration and was used as a parking lot for buses. The place was known as Pátio do Pari (Pari's Yard). *Feirinha's* outset can be traced back to the night commerce that took place at nearby 25 de Março St. in the early 2000s. The market was then relocated to Brás in 2004 after a round of negotiations with the municipal government. Pátio do Pari was right next to it, and small clothing manufacturers began to display their merchandise on the floor there. The conflicts among street vendors, retailers, and the government intensified around street obstruction, the trade of stolen items, and illegal charges for trade positions on the street, which forced the migration of great part of the commerce to Pátio do Pari. According to the subprefect at the time, the control of commerce and traders would be more effective in a closed space: 'The operations within the pop-centers [the name given to informal commerce in the 2000s] were much more effective to suppress piracy, because it was more difficult for traders to scape' (Odloak 2013).

At the beginning, the municipal government licensed 1,500 units within the space. Each facility should consist of iron tripods covered with canvas. In contrast, *Feirinha's* final layout showcased 4,000 boxes of 3 square meters each, cemented walls, and steel doors. To work there, traders had to pay an administration fee called 'Stipulation of Permission for Use' (TPU, in the Brazilian acronym). The fee cost about R\$910 (US\$242) in 2017.

⁸ Information available at <https://exame.abril.com.br/seu-dinheiro/aluguel-no-bras-sai-mais-carro-quena-oscar-freire> [Last accessed 23 August 2018].

The consolidation of *Feirinha da Madrugada* was important for the dynamization of commerce in the area, as it attracted a large influx of *sacoleiros* from different parts of the country. It also paved the way for the creation of several commercial buildings nearby, where traders hoped to take advantage of the market potential brought about by *Feirinha*.

Administration shifted throughout the time. Many were the reports on the sale of illegal items, illegal negotiation of boxes, and lack of security. The space was interdicted several times, mainly due to the apprehension of pirated goods. It was given back to public administration and put out to tender in 2016, when it was acquired by a consortium engaged in the construction of malls of the kind in other parts of the country. The consortium paid R\$1.5 billion (US\$400 million) and committed to invest R\$500 million (US\$135 million) in infrastructure in exchange for commercially exploiting the space for 35 years.

Feirinha da Madrugada was demolished in April 2018; in its place, a modern mall is to be built. Traders were banned from the area for the construction. Another space was made available for the *Feirinha* during works, but because it is smaller, only about half of the traders are able to carry on their activities there. In addition, those traders who had outstanding TPU payments (turned into regular renting fees under the new administration) will not be allowed to return to the new building once ready.

Traders organized several rallies to question their removal and even the tender itself, arguing that *Feirinha* had lost its original 'social function.' An investigating commission was established to review the consortium's actions. Their final rule was favorable to the private enterprise—contrary to traders' expectations, who had been calling attention to the despoiling aspect of the ongoing modernization project for some time. Alex, a trader at *Feirinha da Madrugada*, clarifies this during his speech at one of the investigating commission sessions.

Dear councilors, the market was created to get peddlers out of the 25 de Março St., Oriente St., Rodrigues dos Santos St., Maria Marcolino St., and Concórdia Square, to force them to work at a specific area. We struggled to build that space. We shared food during the works. Because there was no one there. *Pari* was worth nothing... We grew business in that area. It became so relevant that it caught a lot of attention from larger businesses. We built it. We just want a place to work. Unfortunately, when no one was watching, the Government carried out meetings and sold the market to a group of businesspeople. The whole thing has been built with public money, paid with our money, and now it will be torn down for the construction of a mall that will not cater for... We don't want a mall, because we already have one.

Alex exposes how private businesses became interested in Brás exactly because of the appreciation process resulting from informal commerce—that is, from the development of activities that are often regarded as illegal, poor, and marginal. The appreciation and identification of business and financial potential gave rise to new entrepreneurial segments specialized in the informal market, and the mall is a token of this movement. In Brás, six families form the group of investors that owns 11 malls in the region.⁹ The consortium who won the *Feirinha da Madrugada* bidding, for instance, consists of businesspeople involved with the construction and administration of large commercial enterprises in other parts of the country— Belo Horizonte, Manaus, Toritama, and Pernambuco—and they also have plans to build a mall at a slum in Complexo do Alemão (Rio de Janeiro).¹⁰

According to Roy (2010), investing in informal markets seems to be a global trend that converts informal economies, or shadow economies—often associated with spaces of poverty—into objects of revenue, in which public (and allegedly collective) resources are redefined as private channels of wealth accumulation. In this case study, redirecting funds from informal commerce to property owners and investors is justified by the discourses of formalization and modernization. In her analysis about the 'neoliberal bureaucratization,' Beatrice Hibou (2013) sheds some light to think theoretically about the regulation strategies underway.

It is common thinking among neoliberals that such norms, rules and procedures showcase 'good governance' and that these formalities are merely technical. Emphasis is nevertheless placed on

⁹ The increasing investments on malls in Brás recently caught the media's attention. Please refer to 'Um império bilionário do varejo do Brás.' Available at <https://economia.estadao.com.br/noticias/negocios,um-imperio-bilionario-do-varejo-nobras,70002249579> [Last accessed 26 September 2018].

¹⁰ The plans for this mall were announced a few years ago. Although constructions have not started yet, the same group has other enterprises already up and running in other slums. Available at <http://g1.globo.com/rio-dejaneiro/noticia/2013/02/primeiro-shopping-em-favela-brasileira-sera-no-alemao-no-rio.html> [Last accessed 26 September 2018].

universality; economic and entrepreneurial rationality; on the technocratic dimension of such processes and their efficacy; on safety and morality; and on a depoliticized view of the Government, which is nonetheless a very political way of analyzing politics. (Hibou 2013, 10; my translation)

In this case study, the formalization process is more than a strategy to regulate and legitimize informal commerce—it is a resource derived from the neoliberal competitive logic, albeit under the notions of social inclusion and development. When perceived as indisputable value, the formalization imperative is legitimized in spite of the inequalities it may beget if informed by principles of better life and working conditions. In a nutshell, formalization says little when not analyzed together with the logics behind its operationalization.

Formalizing commercial activities is not the same as formalizing the workers engaged in them. In addition to forcing street vendors into closed spaces and displacing those who cannot afford rent, I could also verify another important fact: the massive number of new traders who had never worked with the craft before. A trader's speech illustrates the tensions and distinctions involved in the process.

I never thought I'd end up working in a place like this. I was here only once before to help my sister buy a dress. I thought it was horrible! Too crowded, people bumping into each other, a whole lot of confusion. I swore I'd never set foot in here again. Yet, here I am. [laughter]... Many friends of ours don't understand why we ended up here... I never thought I'd work here. Once I came, it felt different. I thought everyone here was a peddler. Then I realized there are peddlers, but also regular traders. (Marcos, 35 years old, trader at *Feirinha da Madrugada*, BA in Business).

His words illustrate how the formalization and entrepreneurship discourses and the physical transformation of the space impacted traders' profiles, resulting in less stigma and, to an extent, the positivation of these activities. Those are people from different professional backgrounds, many out of the formal market, who engaged in informal commerce seeking better revenues.

In this sense, enterprisation has set the stage for these activities to become plausible for those workers who do not fit the traditional street vendor's profile. Objectively and subjectively, this new profile seems to be a better fit to this new market model. These people have more capital to invest, higher education levels and a strong entrepreneurial discourse. Not only do their social trajectories differ from that image of the poorly qualified street vendor that seeks refuge in informal commerce, but there is also a strong, conscious intent to distance themselves from that image.

People here don't want to learn, they don't want to learn. They're stuck in this life and will die in it. For us that have different backgrounds... Because you know, there are the peddlers and there are those that came afterwards. I came afterwards, from a different field, completely unrelated to peddlers.... Peddlers are very narrow-minded. They want to work without spending a dime. So, for them, this life here is good enough. I came from a different place, so I went down a different path. I came from a different background. I'm not better or worse than anyone, I just have different ideas. Peddlers don't. They got stuck. They cash in R\$1,000 (US\$270) and are over the moon about it. (Jorge, 42 years old, informal trader in a mall in Brás, BA in Business)

In effect, since distinct parameters were brought about, the process has contributed to resignifying this line of work for those who outlived the gentrification of the activity or who came from different professional fields. Throughout the years, the term *gentrification* has been broadly used to designate several types of excluding displacements (Wacquant 2008; Shaw 2008; Janoschka 2016; Bromley & Mackie 2009). Janoschka (2016), for instance, expands the concept by integrating David Harvey's (2003) idea of accumulation by dispossession, which points toward an accumulation pattern that, albeit contemporary, mobilizes strategies identified as primitive, such as the privatization and expropriation of specific groups' livelihoods.

Having that said, when I speak of work gentrification, I mean to evoke the image and the sense of this displacement, as less capitalized workers are banned to make room for others who are also unstable and may even belong to the same social class, but who have better investment options and some managerial skills and are more subjectively aligned with the entrepreneurial logic. All of this takes place at spaces that suffered interventions from public forces and sparked the private capital's interest.

Hence, this process would be based on capitalism and the state's rationale, but also on the rationale shared by the subjects themselves. This can be verified by (sometimes contradictory) demands and expectations in terms of safety, the search for easier forms of organization, and even the desire for autonomy and

emancipation of oppressive forms of work. In fact, for these projects to succeed, the subjects who foster the market also need to take part and subjectively engage in this new setup. In this respect, shrinking horizons of possibilities—reflected by precariousness of work and the dissemination of entrepreneurial logic—play a fundamental role in legitimizing the new forms of formalization devised by the state, that no longer ensure protection and social mobility.

Also evident are the demands that legitimize the excluding formalization of informal commerce in São Paulo. Brás' public image is that of an unsecure social space that favors the trade of illegal merchandise originated from contraband and workforce exploitation —elements that are indeed found there. Starting from these conceptions, any intervention that brings about a sense of order is promptly justified. This holds true even for those who work there, even when they come to feel harmed by the very same interventions afterwards. This is the case of many traders who celebrated the cession of *Feirinha da Madrugada* to the private sector and thought that their alleged management skills would modernize and boost business. One year went by, and many of these traders are out of work due to *Feirinha's* demolition.

In addition, anyone who strolls down Brás can witness counterfeit goods being traded at informal malls, and most of the transactions are carried out without the issuance of invoices. In practice, the negotiation of political merchandise shifted scales: it is now a wholesale commodity (Hirata 2014) whose costs are often embedded in rent prices. This gives a better sense of security to traders of illegal goods, even if the dimension of illegibility (Das & Poole 2008) of such negotiations remains the same. Alcione works at an arcade in Brás. She manufactures and sells forgeries of big brands. Every month when paying her rent, she also pays R\$800 (US\$215) to the arcade's security guard. Other traders do the same. Alcione mentioned, 'Some pay more, others pay less. It depends on the amount of merchandise, the stall's size, I don't really know.' The security guard supposedly passes on the money to public agents in charge of inspecting and apprehending illegal goods. She goes on. 'So that they don't come here ... They pay the federal police, the civil police, beats me. But they still show up from time to time.'

Final Considerations

The historical image of an informal trader is that of a person who is either a desperate worker or an outlaw who lives in the margins. In fact, all informal commerce—more often than not considered under the terms of informality—was devised as something that would fade away once Brazil took an official stand in global capitalism and sufficient registered work places were created. Obviously, this was not the case. Not only did those markets not disappear, but they the hopes for a more just society based on salaried work die day by day.

From then on, it seems clear that there was a shift in thinking: from the integration of informal (marginalized) workers to formal markets based on civil rights and citizenship, to the insertion of informal activities into market logic. In this case study, we can see a shift in the debate: from the right to the city and the creation of jobs to the centralization of technical management through contracts, rent, entrepreneurship, and market modernization—which has the effect of overshadowing the political aspect inherent to this model. This indicates the expansion of 'systematic formalizations' (Hibou 2012), showcased as mere management techniques that carry no ideological bias. The modernization discourses allow partnerships between the local government and private agents and promise to improve these business practices, which they say would result in collective benefits.

By reflecting upon the regulation strategies of informal commerce in São Paulo, I argued that such interventions articulated between the government and large private investors are justified by a 'twin' narrative (González & Waley 2013) that defines these markets simultaneously as problematic and powerful. On the one hand, these markets have been long associated with the process of urban degradation and illegalism (piracy, contraband, exploitation of workforce); on the other hand, there is a more contemporary movement that recognizes them as economical forces, where poverty is resignified as a new field of accumulation.

The enterprise group that won the bidding for *Feirinha da Madrugada* describes their mission as

becoming a network of malls that promote inclusion through social, cultural, economic, and political development by providing quality products and services in a way that is safe and profitable for consumers, traders and investors. (Grupo UAI)¹¹

¹¹ <http://www.uaishopping.com.br/site/grupo-uai>.

This statement illustrates a common formula used in the administration of poor populations: the combination of social development and repression discourses (Motta 2017). It is important to highlight the key elements in the narrative that legitimize the enterprisation of informal commerce, and its efficiency stems from the ability to articulate different dimensions of social life—the moral government of subjects (Lautier 2014) through ‘social, cultural, and political development,’ the concern over safety, and the dimension that has been guiding regulation forms to ensure that the entire process is profitable. As positive elements, these aspects are enunciated as technical agencies that depoliticize all referential logic and its effects. By combining these analyses, we can redefine the (strategic and unconscious) political meanings of these processes and thus understand the ambivalences that characterize the interventions in these markets.

Competing Interests

The author has no competing interests to declare.

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