

From the culture of poverty to the culture of informality: an analysis of the rationale behind proactive policymaking towards street vending in Latin American cities.

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Since the 1990s, many Latin American cities have evicted street vendors from their historical centers and across central neighborhoods for the sake of recovering public space. Evictions have been followed by, or accompanied with, different proactive programs that use “formalization” as a tool to upgrade vendors’ working conditions. These proactive approaches have permeated different styles of urban governance across cities from neoliberal-oriented mayors who emphasize entrepreneurship as a way to promote local economic growth to progressive administrations that aim at promoting social inclusion.

This paper examines the changes in the conception of street trade as a subject of policy, by analyzing how ideologies of economic development and urban planning have impacted in the way policy makers intervene in public space and have redefined practices of street trade. It compares the city governments of Bogotá and Lima, during the period of 2004-2007, which comprises in Bogotá, the administration of Luis Garzón, from the left political party *Polo Democrático Alternativo*, and in Lima, the administration of Luis Castañeda Lossio, from *Solidaridad Nacional*, an independent political party typically allied with the traditional right-wing parties in Peru. In addition to the contrasting political discourses that permeate each of these administrations, they also present different mechanisms of policy approaches corresponding to their political ideologies. In Lima, the Castañeda administration consolidated at the local level formalization approaches, that I labeled “streetwise neoliberalism”. This approach requires vendors to save collectively and to self-finance through bank loans the construction of roofed markets under the assistance –and pressure- of local public officials. In the line of many cities entrepreneurial urbanism practices, Castañeda administration in Lima consolidates the image of the street vendor as an informal entrepreneur who needs to modernize to achieve its full potential. In contrast, Garzón administration reframed policy in a way to fit the ideal vision of inclusive urban planning, which I labeled “sidewalk urbanism”. This approach involved a considerable public investment in exchange programs for street vendors in a way that they can graduate out of the street through training, access to start-up capital, or limited term-licensed programs. The case of Bogotá could illustrate the contentions within initiatives in the region that try to reconcile public space control with inclusive policymaking, which renders an image of vendors as subjects in need of social assistance, and resocialization. The comparison of these two administrations in this paper contributes respectively, to the understanding of progressive and neoliberal styles of urban governance which exemplify the spectrum of policies in Latin American cities.

Based on an analysis of 33 interviews with local—14 in Lima and 19 in Bogotá— and 6 – three in each city-metropolitan public officials from offices directly related to control and regulation of street vendors in each city, I analyze comparatively four dimensions of the rationales at the core of these policy-making approaches. These are (1) representations of the use of public space, (2) perceptions of the informal economy and its connections to urban poverty, (3) the role of the private sector, and (4) the relationship with vendors’ organizations. It is my contention throughout this paper that even though the politics and discourses of planning and policymaking in Lima and Bogotá are different, similar trends can be found across the four dimensions. Overall, both city administrations have reframed policymaking and political practices towards street trade in ‘exclusionary’ terms –despite claims that policies should be beneficial for vendors– and justify interventions aimed at disciplining the vendor and expanding the reach of the private sector. My analysis suggests that the use of the “culture of informality” resembles the assumptions behind the “culture of poverty”. As the culture of informality is repeatedly quoted as the main reason behind failed attempts of control, it reproduces a circular rationale that discourages policy makers from reevaluating policy objectives and contributes to perpetuating social exclusion further.

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