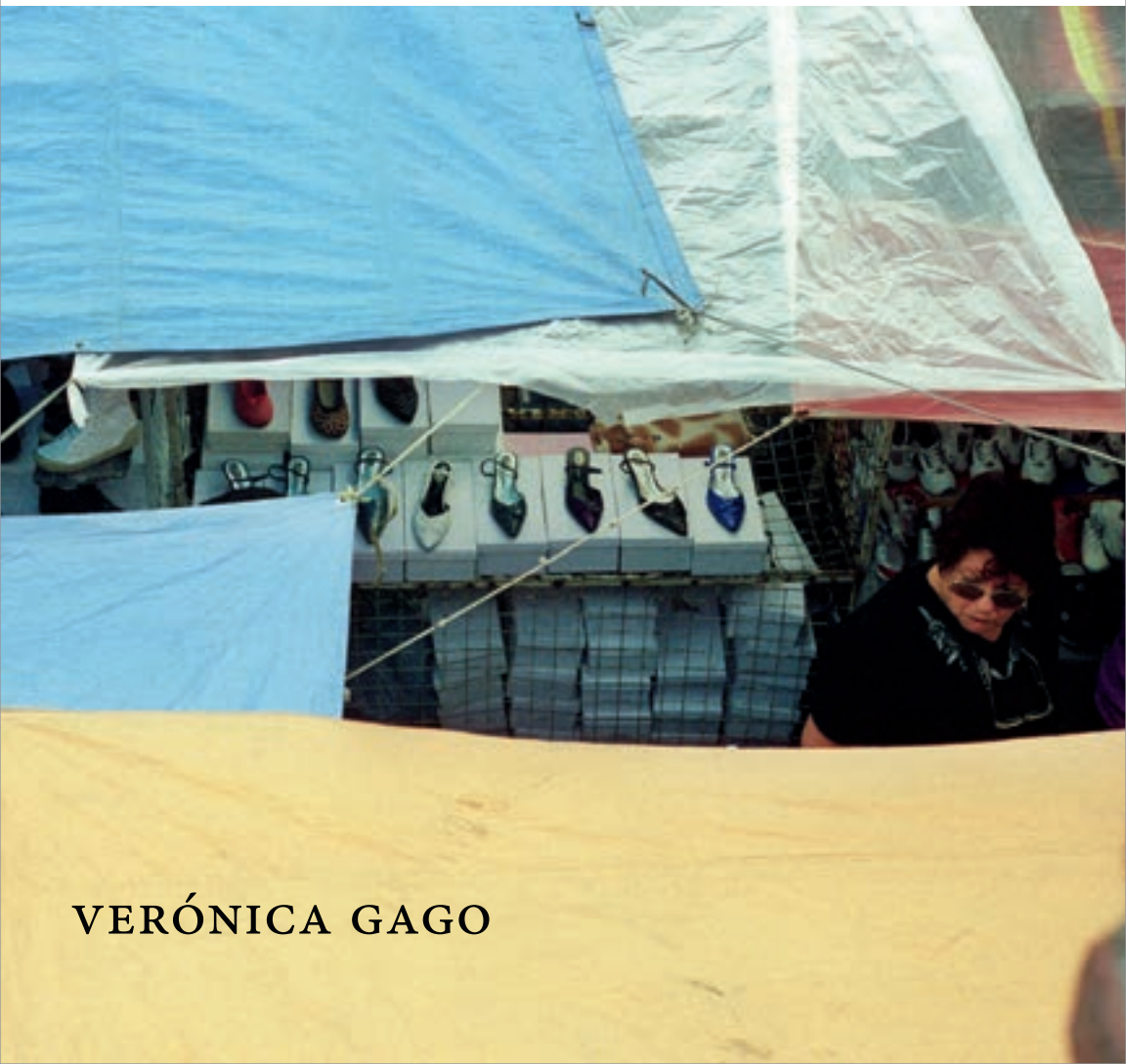
NEOLIBERALISM FROM BELOW

Popular Pragmatics & Baroque Economies



VERÓNICA GAGO

NEOLIBERALISM FROM BELOW

RADICAL AMÉRICAS

A series edited by Bruno Bosteels and George Ciccariello-Maher

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Popular Pragmatics and Baroque Economies

VERÓNICA GAGO

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CONTENTS

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INTRODUCTION

Neoliberalism from Below

A Perspective from Latin America

Revolts against Neoliberalism

In Latin America *neoliberalism* has become a term seeking to remain attached to the past. As a keyword, it serves as a quick, widely understood diagnostic of a set of policies that altered the face of the continent (privatization, reductions in social protections, financial deregulation, labor flexibilization, etc.). A cycle can be seen in Argentina that corresponds to that of the region as a whole. During the 1990s, neoliberalism was expressed through structural reforms that originated during the last military dictatorship (1976–83); the period was characterized by paradigmatic reforms such as the Financial Institutions Law of 1977 and by state and paramilitary repression of popular and armed insurgency. An image suffices to indicate the imbrication of the state and the financial world: with this legislation, holding cells were installed in the headquarters of the Bank of the Argentine Nation that functioned alongside a clandestine trading desk (Biscay 2015). The 1980s ended with an inflationary crisis, leading to the privatization of public services, the closure of many private and state companies, and labor flexibilization corresponding to an opening to imports and general deregulation of production (Azpiazu and Schorr 2010; Basualdo 2000, 2006). Massive unemployment, after a few years of increasing rates of self-employment, caused poverty rates to soar. The unemployed workers of the country's interior cities (former oil workers) initiated the *piquetero* (picketing) movement in Argentina, which later spread throughout the entire country, adopting particularly politically radical forms in Buenos Aires's urban periphery. In 2001 the crisis erupted everywhere, provoking the organic collapse of the government and the banking system and shaking up the public stage by making social movements visible as determinant actors in the political conflictiveness.

In Bolivia as well, movements and popular uprisings occurred between 2000 and 2005 that ruptured neoliberalism's hegemony over the organization of life and production, opening a series of disputes over social wealth and political control (Gutiérrez Aguilar 2014). Community and neighborhood assemblies, rural organizations, and unions contested the privatization of public resources (water and gas) and overturned social relations of obedience, rejecting their normative and repressive structure. These forces of "plebeian democratization," as Raquel Gutiérrez Aguilar calls them, led to the resignation in 2003 of President Gonzalo Sánchez de Losada, a mining executive who had been president of the country for one term in the 1990s and who had begun a second term in 2002. Other countries in Latin America experienced similar developments, first Brazil and Venezuela, and later the recent protests in Peru and Chile.

Since the 1970s, after the defeat of the revolutionary movements, Latin America has served as a site of experimentation for neoliberal reforms propelled "from above," by international financial institutions, corporations, and governments. However, thinking of neoliberalism as a mutation in the "art of government," as Michel Foucault (2008) proposes with the term *governmentality*, supposes understanding neoliberalism as a set of skills, technologies, and practices, deploying a new type of rationality that cannot be thought of only from above. Moreover, this rationality is not purely abstract nor macropolitical but rather arises from the encounter with forces at work and is embodied in various ways by the subjectivities and tactics of everyday life, as a variety of ways of doing, being, and thinking that organize the social machinery's calculations and affects. Here neoliberalism functions immanently: it unfolds on the territorial level, modulates subjectivities, and is provoked, without needing a transcendent and exterior structure.

In this book, I would like to argue two points. First, we need to focus on the terrain of the resistant subjectivities that led to the crisis of this system of neoliberal regulations across the continent. Second, we must think about neoliberalism's persistence beyond its crisis of political legitimacy, looking at how it becomes rooted in popular subjectivities, resulting in what I call *neoliberalism from below*.

Thus, I intend to identify the revolts against neoliberalism as a crucial founding moment of its crisis of legitimacy in the region. Later, I will develop the notion of neoliberalism from below as a way of problematizing the reason why neoliberalism does not solely depend on its political legitimacy, at the same time as social movements have an agenda that imposes a kind of veto

power on later governments. This requires conceptualizing the pragmatic that the popular classes deploy to adapt to, while also derailing, the unidimensionality of the neoliberal competitive norm, to complicate it and combine it with other practices and knowledges. Toward this end, I will detail the *strategic* rationality that the popular classes' vital perseverance brings into play. I analyze these popular frameworks as *baroque economies* in which the persistence of and confrontation with the neoliberal dynamic from above and from below are simultaneously negotiated. Finally, there is a second sequence, given by the emergence of a populism that is seeking to become the reigning ideology in accordance with a "return of the state," attempting to assert itself as synonymous with the "end of neoliberalism" in the region. The complement to this political argument is given by the developmentalist projects that are presented as the direct result of a new mode of state interventionism and that are supposedly in opposition to neoliberal logic. My argument will go in a different direction to show how neoliberalism and neodevelopmentalism are combined to give a particular character to state intervention, as well as to the very concepts of development and social inclusion.

The revolts during the crisis in Argentina in 2001 marked the breakdown of the political legitimacy of neoliberalism from above. In Bolivia the key moment was 2003. Those revolts are part of a continental sequence that caused the subsequent turn of the region's governments (see Colectivo Situaciones 2009), with significant events in the background of this sequence, such as the Caracazo. Ecuador lost its national currency in the crisis in 1999–2000, leading to the fall of President Jamil Mahuad. A year later, in Argentina, it was debated whether the departure from peso-dollar convertibility, which organized the productive and financial structure during the 1990s, would be carried out following the Ecuadorian model of the dollarization of the economy. In Ecuador, dollarization began as an emergency measure in a crisis situation (Larrea 2004) and has been maintained to this day, structuring a rentier economy through oil and remittances (Dávalos 2012). In 2002 a political crisis of great magnitude shook Venezuela: a coup attempt against Hugo Chávez in April and a national petroleum strike in December. What emerges in this sequence is the relevance of the rentier question in regard to the national currency and natural resources in the time of crisis.

The rentier question will be an essential element for understanding neoliberalism's persistence in Latin America and the connections between finance and neodevelopmentalism. However, I am interested in highlighting the crisis in the region as a milestone and as a perspective. The crisis is a privileged

locus for thinking because there is a cognitive porosity; concepts are set in motion, and sensibilities express the commotion and reorganize the thresholds of what is considered possible and how it is expressed. One of liberalism's poisonous legacies is the projection of the social as a space made from above, without its own power or consistency. This has its correlative in the definition of the crisis: it is experienced as a return of barbarism, as a noncivil, prepolitical stage. Therefore, the crisis is conjured up through an enterprise that reinstitutes the political, where the social does not exist on its own but is produced by the political, which is understood according to its traditional institutions: political parties, the state, labor unions (as a way of translating Hobbesian theories about the relevance of a central sovereign authority and renewing them under the diffusion of populist theory). However, the crisis in Argentina in 2001 and the one in Bolivia in 2003 do not fit this image—nor does that in Ecuador. In the crisis, a properly political dynamic of experimentation in and of the social unfolded (or, in other words, a social protagonism was initiated). The celebrated "return of politics," a figure of speech created by progressive governments to make sense of the cycle, runs the clear risk of strengthening this division and freezing the social in place as that which is merely managed, as a territory of "bare life," which today returns as new social conflicts, unthinkable from a state-centric politics.

The social, when read as an instance of demands to satisfy, repair, and amend, reduces those collective dynamics to a passive position, denying their immediately productive condition. The consolidation of a (politicist) reading from above ends up failing in two ways. First, on denying the political elaborated from below, it loses information, a sense of opportunity, and even possible directions. Second, it is not effective in creating the illusion of an impossible consistency: the image of an omnipotent "above" for the state is primarily nostalgic but also an overly restricted reading of the present, where state action itself must adjust to a dynamic of governmentality and the "conduct of conducts," to use Foucault's terms. In addition, in this politicist schema, the popular, on being a concrete and motley complexity, displaces a strictly rhetorical figure. Only then can it be invoked to legitimate a power that repairs and unifies that which otherwise is condemned for spontaneity and multitudinous disorder.

Neoliberalism from Below

The progressive governments' perspective, which attempts to neutralize the practices from below while the governments present themselves as the overcoming of an era of popular resistance, closes off a more complex and realistic image of neoliberalism. It ignores the productive capacity of informal economies, and it ignores the ways in which migration propels a greater complexity in the territorial fabric. I will examine this productive capacity from the angle provided by a huge informal market on the outskirts of Buenos Aires, La Salada. As an empirical point of departure, this popular market enables me to develop a conceptualization of the popular economies that have flourished in so many Latin American urban quarters in the neoliberal age. Along these lines, when the governments do recognize these subjectivities, they do so under victimizing and moralizing forms. The progressive governments, despite their rhetoric, do not signal the end of neoliberalism. Further, they severely complicate the characterization of what is understood as postneoliberalism (for a debate: Brand and Sekler 2009). My thesis is that neoliberalism survives as a set of conditions that are manifested, from above, as the renewal of the extractive-dispossessive form in a new moment of financialized sovereignty and, from below, as a rationality that negotiates profits in this context of dispossession, in a contractual dynamic that mixes forms of servitude and conflict.

Therefore, *survives* is perhaps not the best term: understanding contemporary neoliberalism requires focusing on its capacity for mutation, its dynamic of permanent variation, especially looking at variations in meaning, at recursive, nonlinear time rhythms, at disruptions driven by social struggles—all of which reemerged with new aspects in Latin America in the context of the crisis of 2007–8.

In Latin America the increased participation of the state following the growth of mass consumption and the decline of neoliberalism's legitimacy has recently changed the neoliberal landscape: from the misery, scarcity, and unemployment of the early twenty-first century (and the forms of struggle and resistance that emerged then) to certain forms of abundance found in new forms of consumption, work, entrepreneurship, territorial organization, and money. The greater "promiscuity" of the territories of Latin America is increasingly presented as part of a series of baroque economies reconstructing a new political dynamic that overflows and qualifies neoliberalism itself.

To draw an initial topology: *from above*, neoliberalism recognizes a modification of the global regime of accumulation—new strategies on the part of corporations, agencies, and governments—that induces a mutation in nation-state institutions. In this regard, neoliberalism is a phase (and not a mere aspect) of capitalism. *From below*, neoliberalism is the proliferation of forms of life that reorganize notions of freedom, calculation, and obedience, projecting a new collective affectivity and rationality.

By *neoliberalism from below*, I am referring to a set of conditions that are materialized beyond the will of a government, whether legitimate or not, but that turn into the conditions under which a network of practices and skills operates, assuming calculation as its primordial subjective frame and functioning as the motor of a powerful popular economy that combines community skills of self-management and intimate know-how as a technology of mass self-entrepreneurship in the crisis. The force of this neoliberalism ends up taking root as a *vitalist pragmatic* in the sectors that play a leading role in the so-called informal economy.

This vitalist pragmatic means, on the one hand, that calculation is a vital condition in a context where the state does not guarantee the conditions of neoliberal competition prescribed by the ordoliberal model.[1] In these forms of doing, calculation assumes a certain monstrosity to the extent that popular entrepreneurship is forced to take responsibility for conditions that are not guaranteed. On the other hand, this imperfection is given as indeterminacy and organizes a certain idea of freedom, which, in its own way, challenges some of the most traditional forms of obedience. One of the questions that must be addressed is how this rationality does not coincide exactly with *homo œconomicus*, as if it were a perverse tracing.

The first point in this respect is that the vitalist pragmatic allows us to consider the fabric of *potencia* (power) emerging from below. Thus, it launches a new form of *conatus*, to use the Spinozist term: the neoliberal dynamic is problematically and effectively combined with this persistent vitalism that always attaches to the expansion of freedoms, pleasures, and affects.

Therefore, it raises the question of the relationships between neoliberalism and informal economies. In Argentina, as a result of the crisis, these economies became visible and acquired the scale of a mass phenomenon, owing to the intense demonetization experienced in the country.[2] A series of innovative economic institutions (of savings, exchange, loans, and consumption) spread, combining survival strategies with new forms of popular entrepreneurship and brutal forms of exploitation. The economic recovery of recent years—

associated at a broader scale with the cycle of progressive governments in the region—has not caused them to disappear. On the contrary, the economic recovery incorporated them and promoted their articulation with the rest of the economy as part of its drive toward development. In Bolivia, Venezuela, and Ecuador, they are also recognized at the constitutional level: as the "social and communitarian economy" (Art. 307, Bolivia), as part of the "popular and solidarity-based" economic system (Art. 283, Ecuador), recognizing forms of "self-management, co-management of cooperatives in all their forms . . . and other associative forms guided by the values of mutual cooperation and solidarity" (Art. 70, Venezuela).

In contrast to the interpretation of popular economies as victimizing, which sees them only as forms of exclusion, the informalization of the economy emerges primarily from the strength of the unemployed and of women, which can be read as a response from below to the dispossessive effects of neoliberalism. A passage can be summarized: from the providing father or breadwinner (the male figure of the waged worker, the head of the household, and its counterpart: the welfare state) to feminized figures (the unemployed, women, youth, and migrants) who go out to explore and occupy the street as a space of survival and, in that search, reveal the emergence of other vital logics. In turn, a new politicization is produced in that passage: actors who occupy the street both as an everyday public space and as a domestic space, breaking with the traditional topographical division in which the private lacks the street, lacks the public. These actors' presence in the street transforms the landscape.

There is a notable urban impact: cities are transformed by this new, predominantly feminine, informal wave, which with its bustle and transactions redefines the metropolitan space, the family, and women's place. It is inseparable from the migrant presence that also colors the dynamics of these economies. Its contribution is substantial since the initiatives of the informal economy constitute a fabric that makes popular life in cities possible and affordable (Galindo 2010). Neoliberalism exploits and takes advantage of the economy's new (micro)scale, but the popular classes, the city's poor, also challenge the city and often struggle to produce situations of urban justice, conquering the city and defining a new "right to the city."

That urban space becomes mottled because it hosts these very dynamic economies and also becomes more complex in terms of temporality. A worker's economic strategy can be informal at times (tied to the calendar of events, happenings, seasons, etc.) without giving up aspirations to formalization, which are also partial and temporary. In this respect, *discontinuity* is one of the hallmarks

of the worker's economic strategy. Those strategies were (and are) part of a material fabric that, in the case of the migrant economy, made it possible for people arriving in a foreign country to obtain resources to settle, invest, and produce and that functioned as a material resource and social guarantee for a popular productive rationality. Years later, the state itself and a series of banking and nonbanking financial institutions would recognize and reinterpret this migrant economy. Similarly, we can point to the resolution (in the sense of management, not disappearance) from below of the employment crisis, due to the organizational capacity of movements of the unemployed, which seized resources from the state and promoted a series of productive activities with important social value in the moment of crisis. These would later be recognized by the state as well as the financial institutions descending into the neighborhoods. *There are two reasons for emphasizing their anteriority: to signal that these initiatives produced jurisprudence*, in the sense that they enabled the creation of rights and reopened the discussion about the scope of inclusion through citizenship, and *to show that during the crisis this social productivity was unrecognized, feared, and/or repressed* by state as well as banking institutions (although they awoke to an early desire for connection).

The idea of a strategic conatus can be projected over these economies, which are urban fabrics that are both stable and dynamic and that challenge the imaginary of classic developmentalism. Here I am inspired by Laurent Bové's understanding of the Spinozist conatus in terms of strategy: as a set of ways of doing that are composed to construct and defend the space-time of their affirmation. The body is a memory of those things that are useful for it, that nurture it and benefit it. That mnemonic trace, Bové says, provides the experience and memory of a determined, beneficial "amalgam": "The test of the real then correlates with the birth of a calculating reason that, following a more or less successful strategy, will continue the drive of the pleasure principle" (2009, 57). In this sense, calculating reason realizes the strategic dimension of conatus. One calculates to affirm.

The strategy of the conatus is, first, revealed as a political model defined by a practice: "the determination and the resolution of problems" (Bové 2009, 222). Bové's emphasis on strategy is doubly attractive from the point of view of my attempt to understand the vitalist pragmatic that characterizes popular economies. On one hand, Machiavelli, Lenin, and Foucault can be read from this Spinozist invective as espousing philosophies that put immanence and strategy in tension. Then, following this point, strategy becomes a sort of vital continuum that is required for constant updates. It is from there that the

method of bodies—whether individual or collective—originates, as a modality that draws a "dynamic ontology of the problem" (322), which results in nothing more and nothing less than the real movement of the Real. With a Marxian echo that cannot cease to be felt in this formulation, the real movement of the Real is neither an individualist strategy of consciousness nor an omniscient state of rationality, but rather a confrontation with the multiplicity of forces determining problems and necessary solutions. Strategy, then, remains closely linked to the orientation of the dynamism of bodies, while they persevere in particular problems and ways of confronting them.

Second, strategy is implicated with resistance, and both are *sources of rationality*: "where there is resistance and strategy, there is then also necessarily rationality" (Bové 2009, 323). The "very movement of rationality making itself" ("the real process of the genesis of the Real and Reason" [323]), beyond guaranteeing its objectivity by means of an abstract consciousness, has a directly political dimension given by the strategy of active resistance and its potencia of problematization as a means of constituting the Real. The philosophical argument has a precise meaning here: highlighting the rationality of popular economies in terms of vital strategies, capable of disputing social wealth.

When Gilles Deleuze comments on the tenets of Foucault's microphysics of power (2001), he also lingers over his own use of the word *strategy*: "power is not a property but a strategy" (Deleuze 2014, 37). In *Discipline and Punish*, Foucault's definition of *strategy* is precise: "innumerable points of confrontation, focuses of instability" (1995, 27). That conceptualization also has another formulation: strategies are *singular* (Deleuze 2014, 38). This includes the definition of the relations of force as "relations between singularities." Strategies exist from the point of view of micropolitics rather than structures. These strategies are forms of alliance, practical combinations, to the extent that a society can be read by the constitution of the strategic alliances that make it function. Deleuze reiterates, "A society strategizes before it structures itself" (41). Strategy is a matter of hodgepodge, while structure refers to that which is stratified. Stratification and strategy have a specific and fundamental difference: their relationship to movement. In other words, "a social field is not defined by a structure; it is defined by its set of strategies" (42), hence the dynamic that Deleuze names as an *assemblage* (which I return to in the following chapters): "Social assemblages are hodgepodges. And they strategize everywhere. . . . Everyone strategizes" (44).

This idea of strategic conatus provides us with a counterpoint to a rationality conceived in terms that are as victimizing as they are individualistic.

Unlike the figure of homo œconomicus, neoliberalism from below is explained by the historical development of certain relations of force crystallizing in conditions that, in turn, are appropriated by the strategy of conatus overflowing the cold and restricted idea of liberal calculation, giving way to figures of individual and collective biopolitical subjectivity, in other words, to diverse tactics for living.

In her latest book, *Undoing the Demos* (2015), Wendy Brown contrasts the figures of *homo œconomicus* and *homo politicus* under the thesis that there is a fundamental antinomy between citizenship and neoliberalism. Reading Foucault's 1979 course, she aims to analyze how homo œconomicus functions in times of financial hegemony, identifying three differences with classic liberalism. First, the current "economization" of the subject radicalizes liberalism, according to Brown, turning us into *only* homo œconomicus: "Smith, Senior, Say, Ricardo, Steuart devoted a great deal of attention to the relationship of economic and political life without ever reducing the latter to the former, or imagining that economics could remake other fields of existence in and through its own terms and metrics" (24). Second, the form assumed is that of human capital, rather than those figures of exchange or of interest; therefore, homo œconomicus is far from that Smithian formula of "truck, barter, and exchange" and "from Benthamite pursuit of pleasure and avoidance of pain" (25). Third, the specific model of human capital refers more to financial capital than to productive capital (26).

Despite Brown's sharp analysis, it seems that, with the predominant image of neoliberalism as economization, the very expansion that allows for understanding neoliberalism as a governmental rationality is restricted to returning to the idea of neoliberal reason as a sort of hijacking of the political. On the one hand, it re-creates a distinction between politics and the economy that enables an "autonomy of the political," in that the political appears as a colonized field to defend, while the "reign of the rule" becomes the privileged space for the democratic deployment of homo politicus. I insist that, under this idea of politics (with its strong Arendtian imprint), those properly political moments in neoliberalism and, in particular, in the "operations of capital" that neoliberalism interprets remain unrecognized (Mezzadra and Neilson 2015). I am interested in thinking about a practice of politics capable of questioning neoliberalism without thinking of it as the other of politics; in that move, I aim to define it as a field of battle that is extremely dynamic precisely because it is already political. Even if Brown notes that "when everything is capital, labor disappears" (2015, 30), for her, the issue of labor does not manage to

form a counterperspective for thinking beyond neoliberal common sense and disputing—and not only adapting to—the notion of human capital. In this respect, the opposition between financial and productive capital also removes the density of finance's properly productive dimension. Finally, when she says that neoliberalism directly "eliminates the very idea of a people, a demos asserting its collective political sovereignty" (31), what also remains unconsidered is what we could call the popular politics within, against, and beyond neoliberalism, at least as an ambivalent series of experiences, tactics, and languages, revealing the strictly Euro-Atlantic framework of Brown's conceptualization. Then, speaking of neoliberalism from below is a way of accounting for the dynamic that resists exploitation and dispossession and at the same time takes on and unfolds in this anthropological space of calculation, which is, in turn, the foundation for an intensification of that exploitation and dispossession. This hypothesis falls within a (thematic and conceptual) expansion of the very notion of neoliberalism and, therefore, within its implications for tracing the political map of these intensely expansive economies of motley Latin American cities (another way of reading Karl Marx's warning that the real is multiply determined: "The concrete is concrete because it is the concentration of many determinations, hence unity of the diverse" [1993, 101]).

Once we put it in these terms, it is difficult to believe that the end of neoliberalism depends on a few governments declaring that they have left those policies behind. It is difficult not simply because we have to distrust what they say but because neoliberalism is anchored in territories, strengthened in popular subjectivities, and, in organizational terms, expanding and proliferating within popular economies. It has to do with deepening the ways in which the government imperative is articulated with forms of invention, which are not reducible to, although not entirely incompatible with, the neoliberal diagram.

The dynamic axiomatic of capital, as Deleuze and Félix Guattari (1987) theorized, highlights precisely this tension between, on one hand, the flexibility and versatility of capture and exploitation by capital and, on the other hand, the necessity of distinguishing the operations through which that machine of capture subsumes social relations from the inventions that also resist and overflow the diagram of capture and exploitation.

Baroque Economies

To disassemble the definitions of neoliberalism that consider it only as a set of structural policies of the past, here I will make a precise use of Foucault's work insofar as it allows for an understanding of governmentality in terms of expanding freedoms and therefore for an analysis of the types of productive and multiscalar assemblages that contemporary neoliberalism implies as a mode of government and production of reality, and that also overflow that government. Neoliberalism is both a subjective and a structural mutation, organic and diffuse. However, a new fold is still pending: debating the modes of domination imposed by this new, "free" manner of government.

In Latin America, Foucault must be completed by rooting the critique of neoliberalism as a mode of power, domination, and dispossession in the experience of the revolts that have occurred in recent decades, while also debating the images and forms of political happiness implicated in diverse notions of freedom, which simultaneously compete and cooperate under neoliberalism.

Marx's presence must be emphasized when reading Foucault, for two reasons. First, one must start from the premise that subjectivities always have to do with practices, with structures that are articulated practices, and with discourses that are always a dimension of practice ("foci of experience"), and that, therefore, consciousness or rationalist spirituality does not play a privileged role in the constitution of subjectivity.

Second, the question of the production of value is central but not in an economicist sense or one that conceives of labor as a separate and restricted sphere of social life, even though capitalism's principal feature is its ability to reduce value to the economic. Using Marx, we understand value as the production of existence, which is made evident by the concept of labor power, in its failed and impossible commodification because it is impossible to suppress the gap between the potentiality of human praxis and effective work.

The expression "potentiality" here does not refer to a temporal feature of the productive process (which capital rationalizes as teleological); rather—above all—it characterizes the linguistic, affective, intellectual, physical, cooperative multiplicity, or: life, put to work by capital.

I must add one more point: the relationship between Foucault and Marx is illuminated by the rehabilitation of Friedrich Nietzsche's philosophy of values, which in Foucault, in contrast to Martin Heidegger, is not a realization of metaphysics but an opening to the contingency of material practices. The

context of this problematic that originates with Marx is needed in the current debate around biopolitics inaugurated by Foucault.

It is necessary to find a political vocabulary that can be deployed in that problematic immanence without smoothing over the contradictions and ambivalences. This arises only from the practices that take place in variegated territory in cities. These practices open the possibility for understanding the transindividual dynamic of the productive forces that always overflow the neoliberal schema and anticipate possibilities that are no longer those of state socialism. In other words, this is a mode of social cooperation that reorganizes the horizon of labor and exploitation, of integration and progress, of the good life and good government.

Emphasizing the transindividual dimension is also a way of debating the hegemony of homo œconomicus, of its individualist frontiers that are no longer taken as a prescription for and invocation of an anthropology but are taken for granted in their application and delimitation of the borders of homo œconomicus. In this respect, the point of view of homo œconomicus is revealed primarily as abstract, because it hides the social dimension of value, its necessary dimension of collective cooperation, in order to be able to appear as a figure of individual utility.

If the constitution of the individual is the result of a process of individuation in which the composite character of the individual is actualized time and time again, every individual is always more than an individual. The notion of the transindividual is particularly relevant here. As Étienne Balibar (1997, 6–7) argues, discussing Spinoza, this notion has the power to take us away from the binary of holism versus individualism, because it also escapes the division between interiority and exteriority when referring to the human community. The idea of transindividualness is, then, neither metaphysical nor romantic. It is based on there being a "mutual interest" in commerce or exchange with others, which, even if it seems to reinforce the idea of a utilitarian individual, twists it in another direction: toward a noninstrumental rationality. Balibar states, "Spinozistic 'reason' is doubly utilitarian, but in a specific sense. It is utilitarian in as much as the very principle of virtue for each individual is to look for what is useful to himself and what he needs in order to preserve his *own* existence" (28). To return to an earlier point, the question of the strategic conatus could be raised as that of how to distinguish between a utilitarian reason associated with the alienated state of perception (the effect of commodity fetishism) and a figure of the subject as "autonomous-strategic," even as a figure of citizenship, capable of a *realism of potencia.* Is there a counterpoint

between Marx and Spinoza, or could it be said that there is a way in which, as I suspect, they are entangled?

How do we think of a subject in a way that does not fall into the legal fetishism of individual or free will (that which carved out contractualism and which, reflecting on law, Evgeny Pashukanis (2001) radically critiqued as a fetishism analogous with that of the commodity) and that, nonetheless, would be a subject that does not give up on the issue of *freedom* as the "trend toward innovation," understood as the "tension toward autonomy" of the social body?

In this vitalist pragmatic, neoliberalism from below implies communitarian forms in a nonlinear fashion. This is where to root the question about what political forms would be adequate for postneoliberalism and the emergence of elements of poststate citizenship, to use Balibar's (2015) formulation. That neoliberalism, as governmentality, would be compatible with certain communitarian forms is not anecdotal data, nor evidence of a pure global tendency toward the ethnicization of the labor market, but the index of the emergence of this era that tends to reduce cooperation to new business forms, while it also proposes social assistance as the simultaneous counterpart of dispossession. Therefore, in Latin America the rebellions against neoliberalism in the region are the starting point for reassembling a critical perspective for conceptualizing neoliberalism beyond its permissive and diffuse logic—but also for going beyond an understanding of neoliberalism as the triumph of homo œconomicus by the suppression of the political.

I propose thinking of these assemblages—transindividual productivities expressed in a dynamic informality—as *baroque* economies to conceptualize a type of articulation of economies that mixes logics and rationalities that tend to be portrayed (in economic and political theories) as incompatible. Bolívar Echeverría (2000) has linked the baroque to an art of resistance and survival belonging to the colonial moment. Álvaro García Linera (2001) speaks of a "baroque modernity" to describe the productive model in Bolivia in that it unifies "in a tiered and hierarchical manner, the production-structures of the fifteenth, eighteenth and twentieth centuries" (2014, 212). It also brings back servile or semislave labor as an important, but not hegemonic, segment of transnational economies in capitalist globalization, which confirms that modality as a (post)modern component of the organization of labor and not as an archaic hindrance of a premodern or precapitalist past that has been overcome. In Latin America the baroque persists as a set of interlaced modes of doing, thinking, perceiving, fighting, and working; as that which supposes the superimposition of nonreconciled terms in permanent re-creation. But

there is something of the present, of the historical moment of post-Fordist capitalism with its acceleration of displacements, that particularly recalls this dynamic of the multiple.

My specific use of the notion of the baroque refers to the strategic composition of microentrepreneurial elements, with formulas of popular progress, that compose a political subjectivity capable of negotiating and disputing state resources, and effectively overlapping bonds of family and loyalty linked to the popular neighborhoods, as well as nontraditional contractual formats. This relates to anthropologist Aihwa Ong's (2006) definition of contemporary spatiality as "baroque ecology": the city is located in the center of an ecosystem that is created via the mobilization of distinct global elements (knowledges, practices, actors) and their interactions.

I am interested in how Ong highlights the urban spatial dimension of the baroque that takes place today. However, from my analytic perspective, the baroque refers to two principles that are fundamental for understanding these economies:

1. The informal as the *instituting source* or the origin of reality creation. I define informality not negatively, by its relation to the normative definitions of the legal and the illegal, but positively, by its innovative character and, therefore, its dimension of praxis seeking new forms. The informal in this sense does not refer to that without a form but to the dynamic that invents and promotes (productive, commercial, relational, etc.) forms, focusing on the process of producing new social dynamics.
2. The informal as a *source of incommensurability*, the dynamic that puts the objective measurement of the value created by these economies into crisis. The informal thus refers to the overflow, by intensity and overlapping, of the heterogeneous elements that intervene in value creation, necessitating the invention of new formulas for measuring value and the production of mechanisms of institutional inscription and acknowledgment.

Against the Moralization of Popular Economies: A Vitalist Pragmatic

This book addresses three interconnected situations, and an important part of the investigation consists in trying to understand how the connections among those situations function (Haraway 1991). First, there is the massive

market La Salada, described as the largest illegal market in Latin America, occupying over twenty hectares on the border between Buenos Aires and its urban periphery. It took off with the crisis in 2001 and has not stopped growing and developing since, drawing contingents of sellers and buyers from various countries across the continent. The market owes its initial impulse to a migrant (particularly Bolivian) circuit and the know-how associated with that circuit, which combined well with the moment of economic and political crisis in Argentina. In La Salada almost everything is sold at very accessible prices. It is a powerful place of popular consumption and commerce, with a transnational scope (people come from Paraguay, Bolivia, Uruguay, and even Chile, as well as from all the Argentine provinces). In turn, it is similar to other markets: 16 de Julio in El Alto, Bolivia; Tepito in Mexico City, México; Oshodi and Alaba in Lagos, Nigeria; and the Silk Market in Beijing (most of these are included on the U.S. Department of Commerce's list of "notorious markets").[3] Much of the clothing found there originates in the so-called clandestine textile workshops, where migrant workers produce clothing for major brands, as well as for selling in La Salada. The majority of these workshops are located in *villas*, or neighborhoods where migrants constitute a large part of the population. It is a genealogical sequence that also reveals a logic of mutual contamination, of permanent back-and-forth, of complementarity and contradiction. Trajectories are woven among the villa, the textile workshop, and La Salada, with the popular, religious, and communitarian festival serving as one of the elements connecting them. The villa, where the migrant population is constantly replaced, is a space in which a multiplicity of labor situations are produced, ranging from self-employment to small businesses, including domestic and community labor, and tied to convoluted dependencies. But it is also where the textile workshop is "submerged"; the workshop takes advantage of the villa as a space of community resources, protection, and favors, as well as the source of a workforce. In turn, La Salada is articulated with labor in the textile workshops but also with the opportunities it offers small-scale retailers and importers (for example, those who import lingerie from China via Bolivia to be sold in La Salada) and the sale of all types of services (including financial services). The popular market exhibits and publicizes the clandestine nature of the textile workshop in a complex way, as it combines a form of production that is not entirely legal and is sustained by conditions of extreme exploitation with the expansion of popular consumption and the promotion of a diverse employment reserve. It is an ambivalent reality, as is the way in which the villa exposes the unbridled logic of the informal real estate market combined with

the possibility of expanding migrants' access to housing in the city center. The dynamic of the festival, which is both celebratory and ritual, mobilizes a good part of the resources and energies, the justifications and aspirations, that articulate the workshop, the market, and the villa with one another.

My goal is to explore the popular economy that has developed in Argentina, which also forms part of the regional situation, as it has been shown to have transnational connections with other cities and countries; it is strongly marked by the migrant presence in the modes of production, circulation, and organization of its collective dynamics. In this respect, La Salada allows for a broader analytic, to the point that it can function as a *mirror* of other urban forms and even of a specific form of "logistical urbanism" (Massidda et al. 2010), highlighting a mode of production of heterogeneity in the metropolises of the Global South. It also accounts for a broader transformation in the world of work, which calls for a fundamental rereading of categories such as development and progress, poverty and precarity, inclusion and consumption. If anything colors and characterizes this map of a nontraditional—and nonindustrial—economy, it is that it is both informal and subterranean, while also linked to transnational value chains and major local brands, combining conditions of extreme precarity with high levels of expansion. Thus, it allows for questioning the productive dynamics of consumption associated with new uses of time and money. At the same time, it also sheds light on what I want to discuss: *the current ways in which development and neoliberalism are combined.*

There is a fundamental ambivalence that must be emphasized: a productive network that articulates communitarian moments and moments of brutal exploitation, with migrants, workers, microentrepreneurs, and community organizers as the protagonists. This oscillation does not arrive at a synthesis. It is precisely that point of ambivalence that manifests the rhythm of political tension, that requires categories capable of grasping and expressing that same tension. In addition, it reflects the temporal dynamism that these practices and the subjects implicated in them imprint on a spatial construction that is changing greatly.

The category of ambivalence beats in a rhythm between innovation and negation, as Paolo Virno (2008) has written. However, in that contingent and conflictive space, he highlights a vital pragmatic that has the potencia to institute a new space-time and challenge urban dynamics, as well as the uses of money, transnational links, labor conflicts, and resistance to forms of confinement and the impoverishment of popular life. To return to Virno, this

vitalist pragmatic relates to the idea of the "opportunism of the masses," in other words, the permanent calculation of opportunities as a collective mode of being.

With this perspective, a clear strategy can be traced that opposes seeing the popular sectors as victims. Such victimization, which also appears as moralization and criminalization, organizes a certain field of visibility for the issue of migrant labor and, further, suggests a type of link between the norm and the popular economy, resulting in the moralization (and condemnation) of the so-called world of the poor. In opposition to this focus on victimization, I propose an "extramoral" perspective of vital strategies, in which it is crucial to understand how these economies and the subjects that produce and transit them are articulated and are thought, how they assemble energies and networks, cooperate, and compete.

To say *extramoral* supposes abandoning the metaphysical register (in the sense of a Western metaphysics that repeatedly cleaves being into an active spiritual moment and a passive material instance to be known and governed) of morals (whether of work, good manners, or, in the ethnic version, the noble savage) to concentrate on the vital edge of what organizes strategies for existing, creating, producing value, ritualizing time and space, and making life into a force of perseverance that assembles dissimilar spiritual and material resources and decisively questions three fundamental notions for rethinking our era: *progress, calculation,* and *freedom.*

Self-management, autonomy, and transversality—what Deleuze (2014) calls the leftist problematic—can be understood, in a first phase, in relation to their *opposites*: progress, obedience, and the ghetto. Even so, the resistant forms, the tactics *within and beyond* these very questions, force us to complicate that inverse relation and to further complicate its temporal relationship, its internal dynamism. And to add a twist to our thinking: How does popular self-management reorient the idea of progress? How is autonomy able to negotiate partial forms of obedience and strategies of contempt? How does transversality need to confront the protective (and not only discriminatory) idea of the ghetto?

Populism as Statism

The end or overcoming of the neoliberal "nightmare" could be critically analyzed, on the one hand, from the angle provided by the framework of neoliberalism as governmentality and, on the other hand, via a refusal to limit the

discussion to the assertion of the dichotomy between the state and the market, which would confine the intense debate around the possible significance of postneoliberalism in Latin America to a new autonomy of the political.

This perspective challenges the idea that neoliberalism's opposite is the *return of the state*, understood in terms of a (contractual or pure) autonomy of the state, as proposed by the theory of populism (cf. Laclau 2005a). Thinking of neoliberalism as more than a homogeneous and compact doctrine emphasizes the multiplicity of levels on which it operates, the variety of mechanisms and knowledges it involves, and the way it unevenly combines and articulates with other knowledges and ways of doing. Such plurality does not weaken it as a technology of governance. However, the pluralization of neoliberalism by practices from below allows us to see how neoliberalism is articulated with communitarian forms, with popular tactics for making a living, enterprises that drive informal networks, and modes of negotiating rights that rely on the workers' economic strategies to negotiate the expansion of those rights. The forms of resistance to governmentality that appear in this pluralization demonstrate—depending on whether it is a moment of stability or of crisis—governmentality's versatile or precarious face. Above all, these practices reveal the heterogeneous, contingent, and ambiguous nature of the dispute between obedience and autonomy in the interpretation and appropriation of neoliberal conditions.

The vitalism of these microeconomies, which draw a map of the region that is simultaneously the outline and the reverse of neoliberalism, has to do with their capacity to construct, conquest, liberate, and also defend space. I call these economies *microproletarian economies* to reveal a new landscape of the proletarian beyond its Fordist meaning and to highlight the different scales that make these economies function primarily as assemblages. Also, as I will develop further in the following chapter, I use this term to debate the concept of the deproletarianization of the popular world. This production of space (which involves a process of deindustrialization and the configuration of those proletarian microeconomies) implies and involves a specific temporality. The launching of baroque economies supposes a strategic deployment: a set of modes of doing composed pragmatically in order to maintain themselves and persevere.

I define it as a pragmatic to emphasize its experiential, and not purely discursive, character. It is primarily about thinking of certain foci of experience in a nonmoralizing way and going beyond the application of rationales that are outside of their own tactics. In this sense, *extramoral* refers to the Nietzschean

method of understanding morals as a machine of capture with the goal of normalizing and governing expansive subjectivities.

In these baroque economies, while there are forms of exploitation and subordination linked to migrant labor, which capital situates as its "low" part and exhibits as exemplary situations of obedience, there is also an aspect of resistant and democratic invention involved in this migrant hustle and its incorporation into a city like Buenos Aires or São Paulo. This opens up the traditional imaginary of integration and puts the very notion of difference in tension, both as a capacity for autonomy (as ontological production) and as an (ethnicized) differential of exploitation (as the production of surplus value).

Foucault noted a necessary displacement from the theory of the subject to the forms of subjectivation constituting a pragmatic of the self. This displacement seeks to leave behind a purely abstract idea of the subject to focus on the processes of material and spiritual constitution of those subjectivities. The entrepreneurship of the self is one of those pragmatics. Foucault also fits migrants into this definition. What is interesting is that there are two sides to this conceptualization: on one hand, the possibility of escaping from the purely victimizing image of those who undertake a migrant trajectory and, on the other, (overflowing the strictly entrepreneurial definition) the possibility of the formation of human capital, without abandoning the idea of progress. Is it possible to think about the anxiety of progress outside of the neoliberal regime, defined as an array of individual rationalities ordered by profit? Is it possible to vindicate calculation beyond profit? Is it possible for the "opportunism of the masses," spoken of by Virno (2004, 86), to be a social dynamism, even if this is not often attributed to popular sectors? Finally, to add one more twist, is it possible to think of progress associated with another idea of modernity? It is easy to see that here I am addressing from a specific point of view a set of questions that have been at stake in critical debates for quite a long time now.

The hypothesis that I am going to develop in the following chapters is that the difference in subjectivation that these baroque economies stimulate lies in a will to progress that mixes the Foucauldian definition of the migrant as an investor in himself or herself with a way of doing that brings a communitarian capital into play. It is a vital impulse that deploys a calculation in which a neoliberal rationality is superimposed onto a repertoire of communitarian practices, producing what I call neoliberalism from below. However, in that jointly created lag between the communitarian element and the neoliberal-

individualistic rationality, we see the beginning of a new interpretation of the vitalist pragmatic.

Let's return to time. This baroque mixture shapes motley zones that exhibit a temporal folding. This implies that labor categories become fluid and intermittent and allow themselves to be read as complex trajectories plotted with an extremely flexible urban calculation, from working as an apprentice, to engaging in microentrepreneurship, to combining the informal economy with the possibility of becoming formal, to being unemployed for a while. At the same time, the workers obtain resources through communitarian and social tasks and tactically transit, take advantage of, and enjoy family, neighbor, commercial, communal, and political relationships. In short, the motley quality that characterizes this economy—a key concept for the Bolivian sociologist René Zavaleta Mercado (2009) that has been reworked by another Bolivian sociologist, Silvia Rivera Cusicanqui (2010a)—reveals the plurality of labor forms and highlights the very borders of what is called labor.

In this regard, neoliberal reason, as I propose to use it, is a formula for showing neoliberalism as a rationality—in the meaning that Foucault gives the term: as the constitution of governmentality—but also contrasting it with how this rationality is appropriated, ruined, relaunched, and altered by those who are supposedly only its victims. But that reappropriation does not occur only from the point of view of direct antagonism, as a more or less traditional geometry of conflict would suppose, but rather starts from the multiple ways in which neoliberalism is utilized and suffered, based on recombination and contamination with other dynamics that pluralize the very notions of rationality and conflict.

The same idea of reason is a central figure in Pierre Dardot and Christian Laval's book *The New Way of the World* (2013), which argues against the idea that the global crisis of 2007–8 that marked Europe and North America was a crisis of neoliberalism. Their argument is that the nature of neoliberalism itself has been misdiagnosed; therefore, even the crisis functions as a scenario in which neoliberal premises, condensed as austerity measures, are strengthened. Here the contrast with Latin America is interesting, since in this region—as I have been showing—what emerges from the economic and political crisis is the crisis of the legitimacy of neoliberalism, which delegitimizes any discursive appeal to structural adjustment. Another important point in Dardot and Laval's work is the emphasis on neoliberal *rationality* as a historical construct and general norm of life (4). Like Brown, they point to competition, instead of exchange, as the general principle of the era. In this

point, neoliberal citizenry is deployed as a permanent mobilization driven by that competition.

Following this line, Dardot and Laval's political conclusions underscore neoliberalism's cunning as "productive" of forms of existence, generalizing the model of the market and the enterprise precisely as a global *rationality*. The subjectivity that is perfected is one that is "accountable and financial" (15). However, I want to debate the idea that this reason becomes totalizing, abstract, and, thus, *homogeneous* in its effects. The difference in the use of the term *neoliberal reason* that I propose here has two lines: to include the resistance that heterogenizes the idea of reason itself and to include the way in which this heterogeneity challenges neoliberalism as governmentality.

The heterogeneously composed baroque logics that I highlight are dynamics that express a social-political-economic present, that recuperate long-term memories, while they are shown to be unabashedly flexible in making the city, businesses, and politics and thus display a dispute over the very idea of progress in its purely accumulative and linear sense. These baroque logics are the material, psychic, and expansive fabric that I analyze in certain popular economies, which make a recategorization of the productive forces in Latin American metropolises necessary. While they bring neoliberal reason to unintended areas, they also immerse it in logics that are shown to be unbeatable, and in these displacements paths of questioning and disobedience are opened up.

Neodevelopmentalism

Arturo Escobar (1995) has characterized development in Latin America as an "invention" in which a body of economic theories and their technical and political promoters constructed the entity of the "underdeveloped economy," which was translated into a series of policies aimed at reaching the objective of "growth," guided by institutions such as the World Bank, delineating in a paternalistic and colonial way a certain problematization of hunger, agricultural economies, women as subjects to be incorporated, and so on. But there is also an element of the developmentalist impulse that has an anti-imperialist tone, inspired by Latin American structuralism, mainly theorized by Raúl Prebisch and his team at CEPAL (Comisión Económica para América Latina y el Caribe-Naciones Unidas; 1970). These positions, emphasizing the categories of center and periphery as forms of structural hierarchies that are fully functional for the capitalist system and its international division of

roles, also functioned as resources for perspectives of regional autonomy. Their fundamental policies were based on the formula of import-substitution industrialization, with a prominent role for what was then referred to as the national bourgeoisie (called to go beyond their dependent role as the "lumpen-bourgeoisie," as Gunder Frank [1972] named them), related to a protectionism capable of providing those countries with comparative advantages and negotiating social benefits for the consolidation of an integrated working class. The "Keynesian left," to use an expression of the time, considered that economic development could be driven by state intervention. Contemporary neodevelopmentalism does not strictly rely on any of those characteristics but attempts to relaunch the old premises in a context where the demands of the global market are completely different, where the role of productive transnationalization is a central fact. Neodevelopmentalism achieves a type of consensus that allows it to combine policies of social inclusion with an increase in imports and monetary stability. But the case of Brazil, in some ways the most successful country in the region, also encountered problems when the external demand for raw materials slowed down and the crisis of 2013 broke out, revealing that "the government's most important investments do not concern urban infrastructure intended for mass consumption but the infrastructure of ports and highways designed to foment an export economy that also implied a significant process of privatization of the country's major ports" (Domingos Ouriques 2013, 134).

How is this discussion about neoliberalism tied to the characterization of the current moment as a "return of the state" and its neodevelopmentalist possibilities? The neodevelopmentalism promoted in the region during the last decade is tied to a specific conjuncture: it results from the conditions imposed by the exit from neoliberalism's crisis of legitimacy. That crisis, whose impetus was the rejection of the policies of privatization and austerity synthesized in the Washington Consensus, generated a field of possibilities for reinstalling an idea of development whose axis would be a certain type of social inclusion. This conjuncture's regional character is decisive. It also adds a third element: the mode of insertion into the global market that situates Latin America as a provider of raw materials especially needed by China.

This neodevelopmentalist articulation has required (just as happened in the 1990s with the neoliberal strategy) a new type of activity by the state intended to create—not without conflict—apparatuses designed to capture a portion of the rent (mainly from agriculture, mining, and petroleum) and to promote, based on these flows of money, a politics of social inclusion through

consumption (made operational by the promotion of social welfare packages, aid to cooperatives and popular ventures, credits, and subsidies), the nationalization of pension funds and expansion of retirement benefits, *paritarias* (direct wage negotiations between unions and companies), the renationalization of some companies that had previously belonged to the state, and an increasing concentration of agribusiness.[4]

There is a triple political effect: first, the revitalization of state intervention, seemingly with Keynesian features; thus, second, the projection of a common regional autonomy; and, finally, the displacement of North America by China as the hegemonic power. In contrast to the developmentalism of the 1960s (Gudynas 2015), the current neodevelopmentalism is not materially driven by industrialization. My hypothesis is that even if neodevelopmentalism evokes an industrialist imaginary, today its capacity for deployment is directly tied to the hegemony of rent. This assumes, and is based on, a decisive mutation in social inclusion: it is no longer achieved by expanding wage labor but rather by extending the capacity to consume to sectors that do not necessarily have what was traditionally known as inscription into the wage system (I develop this point further in chapter 5).

Neodevelopmentalism, as it occurs at the regional level in this cycle, becomes inseparable from a generalization of the production of rent and the financial mediation of the social. Meanwhile, at the level of rhetoric and the political imaginary, it is presented in opposition to the predominance of the financial. Such a gap generates a special role for the state insofar as it manages to combine and synthesize both lines. I want to underscore that, rather than thinking in terms of a falsehood of neodevelopmentalism, we must adapt the idea of development itself in order to understand the current modes of its realization.

In this perspective, tracing a consistent border between neoliberalism and neodevelopmentalism is not easy. Quite the opposite is true: the neodevelopmentalist strategy expresses a particular conjuncture with and considerable political effort within the structure of neoliberal reason.

This involves debating the argument put forward by the defenders of progressive governments that opposes a neodevelopmentalism founded on neoextractivist rent to the financial hegemony of the 1990s (García Linera 2012). My argument would be the opposite: the neoextractivist form of contemporary economies in the region has an organic relationship to finance. This hypothesis makes it possible to expand the concept of extractivism to go beyond its sectorization in raw materials (Gago and Mezzadra 2015).

Through this expansion, a space is also opened up for critiquing the notion of development.

It must also be noted that in this phase development has a way of being compatible with the discourse of *buen vivir*, while also boosting the extractive companies. Progressive governments have attempted to resolve this tension through conjunction, under formulas such as the National Plan of Development for Buen Vivir (2013–17) in Ecuador or the National Plan of Development: A Dignified, Sovereign, Productive, and Democratic Bolivia in Order to Live Well (2006–11). The role of the planner state reappears, after decades when the state was spoken of only in terms of its reduction or its modernization (in the form of its withdrawal), and it reappears in a way that aims to amalgamate a renewed version of development under formulas referencing the agenda imposed by social movements, synthesized in antiausterity policies and social inclusion programs.

Thus, one dimension of neodevelopmentalist strategy is the pacification of certain territories that become strategics. In the case of Ecuador, for example, the governmental discourse that promises a postextractivist objective depends on the intensification of extractivist industries as a way of financing that reality in the future. The researchers Cristina Cielo, Lisset Coba, and Ivette Vallejo argue, "Ironically, however, public funding for the massive investments necessary to move towards such a transformation depends on international financing and investments in natural resource exploitation. State policies since 2008 have extended petroleum and mining concessions, and as the intensity and extent of extractive enterprises has increased, so have social conflicts around these industries" (2016, 119). This type of state investment in infrastructure results in the reconversion of certain territories into spaces apt for exploitation. This dynamic does not simply pacify but also arms a new social conflictiveness, a new intensity of violence. And it does so not only in campesino territories, or in areas rich in natural resources, but also in the urban peripheries.

In many countries—as can be seen in Argentina, Bolivia, and Ecuador—the government's rhetoric uses the extractivist profile as a source for generating a diversified economy capable of producing value-added and scientific-technological development (in proposals ranging from ecotourism to the knowledge society).

Neoliberalism: From the Extensive to the Intensive

Let's interpret an image that has become hegemonic today: the consolidation of neoliberalism in the region during the 1990s appears to take the form of an external power capturing and instrumentalizing the state. In this view, foreign capital plays a revitalizing role in neoliberalism's capacity to expand by appropriating sectors of the national economy through privatization (of services, pensions, etc.). In the Argentine case, this process can be divided into two periods: that of peso-dollar convertibility (1991–2001) and that of postconvertibility (2002–12). As Alejandro Gaggero, Martín Schorr, and Andrés Wainer (2014, 18) note, this division shows that centralization and denationalization are first *extensive* (the acquisition of national public and private firms by foreign hands) and later *intensive* (structural differences and relationships with other fractions of local economic power). Paraphrasing David Harvey's (2003) formulation about "accumulation by dispossession," they propose, "It could be said that, until the resolution of the crisis of post-convertibility (2002), an 'extensive' *foreignization* by 'dispossession' predominated, while after that foreign capital largely expanded in an 'in-depth' or 'intensive' way" (2014, 81).

The developmentalist moment, if we no longer oppose it to financial hegemony and its colonization of the state in the last decade of the twentieth century, could then be seen as a moment of internalization of neoliberal power, which is boosted through rentier resources, intertwining elements that seemed contradictory (and that continue to be so according to certain rhetorics): rent and development, renationalization of companies and increased financialization, social inclusion and mandatory banking (the Bank of the Argentine Nation's most recent slogan is "Banking is social inclusion").

One of the keys to neodevelopmentalist effectiveness, however, lies in maintaining neoliberalism as an external enemy power, which is part of the discursive effectiveness of populist reason. The difference between the neoliberalism of convertibility and that of postconvertibility, to use the previously mentioned sequence, seems to lie not so much in a question of degrees of purity or harshness as in a "topological difference" (Fujita 2015). In important scenes from recent years, such as the renegotiation of the public debt and the confrontation with the so-called vulture funds, the transnational dynamic of properly neoliberal finance is again confined to the confrontation between the nation-state and capital, giving a new twist to the impossibility of analyzing the state's material and concrete modes, even though an effective alliance is reached between the state and capital, unlike in past decades. It also shows

how transnational corporations expanded in concentrated sectors (such as energy and services), taking advantage of the recovery of the domestic market and export sectors "that have been deeply favored by the early and sharp decline in internal costs in dollars and the increase in international prices of raw materials and other commodities, all of which have resulted in higher margins of profitability" (Gaggero, Schorr, and Wainer 2014, 152).

The key point is to analyze how the current variation in the relationship between the state and capital originates from a certain popular politicization and, in turn, how it attempts to confine current forms of politicization to the neodevelopmentalist one. The hypothesis that I propose here is the following: *what is unique about the progressive governments in South America's form of management is their attempt to articulate rentier-financial mediation with the conditions opened up by the plebeian revolt* (a notion I return to in the following chapters), or, in other words, their attempt to weave together that vitality of revolt with the categories of political economy. In the case of these governments, therefore, financial mediation is inseparable from a politicization of that mediation.

Neoliberalism as Development

Raewyn Connell and Nour Dados (2014) propose a distinction between theories of neoliberalism and the practices that carry it forward: the former are homogeneous, while the latter refer to an always imperfect realization. It is, the investigators say, a difference of geopolitical perspective (120): in the North it is theorized; in the South it is experienced. But what particularly interests me in their argument is another idea: "neoliberalism as a development strategy" (122). They underscore neoliberalism as an institutional framework of state policies that came together in Latin America with the dictatorships and that reoriented the region from diverse attempts at import-substitution industrialization toward a pattern of extractive and financial economies: "What neoliberal policymakers had to attack worldwide, often using Cold-War tools, was *other development strategies*" (123). Even if they characterize the welfare states of diverse parts of the Global South (e.g., Argentina during Peronism, South Africa during apartheid) as "limited in scale," they want to challenge the idea that neoliberalism only dismantles development policies without proposing any alternative. As the authors indicate when discussing the neoextractivist articulation with contemporary neoliberalism, it is clear that "growth takes the form of rents extracted by predatory elites, who . . . are not a productive bourgeoisie" (125).

For my argument, it is important to take this point even further because the continent's dictatorships are where we see a *constitutionalizing* effect of neoliberalism. First, these dictators promoted legislation that has persisted even into the present moment, well into the rule of progressive governments (Nápoli, Perosino, and Bosisio 2014). Yet accounting for their true reach requires undoing the democracy-dictatorship pair at the level of the state to recognize neoliberalism as a specific mode of the dictatorship of finance over societies. Even more, and here is the second aspect: underneath the formal or legislative character of neoliberal power, the material or substantial character of that constitutionalization of society, with regard to subjects and subjectivities, appears. Through military terror—and, with it, financial power—the decades of the 1970s and 1980s established a neoliberal reason at the level of habits and affects. Once all the differences in terms of violence and terror are considered, it becomes possible to draw a parallel with the conversion of North American workers into shareholders to then theorize how profit has become rent, as described by Christian Marazzi (2011).

The 1990s, which portrayed the best-known features of neoliberalism, extended those policies through the interventions I mentioned earlier, including structural adjustment, privatization, and massive unemployment. Neoliberalism's crisis of legitimacy, with the emergence of social subjects who are the protagonists of a new antagonism, opens up a new governmentality. The following scenario is inaugurated: the political revolves around a national and popular will that aims to reverse the already delegitimized neoliberal policies, and neoliberal reason is reproduced and relaunched, taking the tenets of populist political theory as its premise, for the simple reason that this theory spreads its cultural hegemony over a neoliberal constitutional background—the government of finance—that it has not managed to change (Instituto de Investigación y Experimentación Política 2015). This phase in the region is much more open and contentious, and it tends to penetrate institutions, producing oscillations between very dynamic moments and times of stagnation that make neoliberal reason a true terrain of struggle.

NOTES

Introduction

1 The ordoliberal model represents an attempt to agree on a space of rules in which competition would follow a rationale for all the actors and from which the state itself would be reconstructed. Foucault (2008) analyzes it in detail to locate one of the doctrinal origins of neoliberalism.

2 It must be remembered that in the middle of the crisis, following the run on the banks, diverse local currencies were used. Some stemmed from experience with barter clubs, with municipal recognition, while others were notes issued by different provincial governments to pay their employees.

3 The report is available at https://ustr.gov/sites/default/files/2014%20Notorious%20Markets%20List%20-%20Published_0.pdf.

4 For a discussion of renationalization in the Bolivian case, see Gutiérrez Aguilar and Mokrani Chávez (2006).

Chapter 1. Between the Proletarian Microeconomy and the Transnational Network

1 In 2014 the newspaper *La Nación* returned multiple times to the North American classification in this regard; see the articles "La Salada, el principal mercado negro de la región, para EE.UU" [La Salada, the largest illegal market in the region, for the USA], February 12, 2014; and "Estados Unidos se quejó de la 'ausencia de voluntad política' del gobierno argentino para combatir los productos 'truchos'" [USA complains about the Argentine government's "absence of political will" to fight "fake" products], April 30, 2014.

2 In a series of complex unfoldings, expansions, and competitions, the birth of the markets can be recounted as follows: the Virgin of Urkupiña began in 1991 under the leadership of the (then married) Bolivian couple René Gonzalo Rojas Paz, who died in prison under highly suspicious circumstances in November 2001, and Mery Natividad Saravia Rodríguez, along with the Argentine Quique Antequera. In 1994 Ocean was opened, an expansion carried out at first with Rojas as the administrator; later, "by a coup d'état," it came into the hands of another Bolivian, Manuel Remonte. In 1999 Punta Mogotes, administered by the Argentine Jorge Castillo, was founded in open competition with the existing markets (Girón 2011; Hacher 2011).