

Introduction: Popular Economies and the Remaking of China–Latin America Relations

By

Juliane Müller

UNIVERSITY OF MUNICH

Rudi Colloredo-Mansfeld

UNIVERSITY OF NORTH CAROLINA, CHAPEL HILL

Chinese investments and loans have increased rapidly over the last fifteen years in Latin America and the Caribbean, as has state-to-state cooperation. From the megaprojects of the Nicaraguan Canal and the transcontinental Brazil–Peru railway—reminiscent of Imperial investment fever a hundred years ago—to countless road construction projects across the region, Chinese state-supported enterprises are at the forefront of the present round of infrastructure building. This investment envisions a new century of trans-Pacific connections and global commerce. Latin America’s politicians and private contractors collaborate with Chinese enterprise across diverse sectors—agribusinesses in soybean production in Brazil and Argentina, and mining, oil, and natural gas operations in the Andean countries—praising the scale and pace of investment as a milestone for Latin America’s future economic growth. Activists and scholars see the same development as entrapping the economy in neo-extractivism, in a renewed dependence on primary resources that violates indigenous, social, and ecological rights.

In reaction to these macroeconomic trends and geopolitical tendencies, economists, political scientists, geographers, and anthropologists are fostering an interdisciplinary field of Latin America–China relations. Researchers with regional expertise in Asia have started conversations across the Pacific with experts on Latin America. These efforts take the form of transregional research networks—such as the Asia Section of LASA (Latin America Studies Association)—and publications that crosscut area studies. To date, significant scholarly attention has been paid to macroeconomic and policy issues (Armony and Strauss 2012; Ellis 2009; Fernandez Jilberto and Hogenboom 2010; Hearn 2016; Hearn and León-Manríquez 2011; Myers and Wise 2016).

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The current dossier showcases the promise of anthropology amid this new scholarly exchange. The density of trans-Pacific commerce makes for a distinctive social and cultural realm of interaction: the trade disrupts long-settled ethnic hierarchies and urban economies in Latin America. It has also added unprecedented opportunities for individual social mobility; enabled new ways for marketplaces to adapt to austere, neoliberal policies; and led to improvisation in areas of credit, communication, and transactions between Chinese and Latin American trading communities within the region and across the Pacific.

If the massive infrastructure and resource development projects in Latin America and elsewhere have captured political and academic attention, it is the ubiquitous availability of inexpensive Chinese consumer goods that has transformed the lives of millions who make their living in popular economies. Whereas large-scale development projects can consolidate the power of corporate interests with state connections, the influx of Chinese manufactured goods has enlivened multiclass and multiethnic trading spaces—urban markets, transborder trading networks, and remote free trade zones. The commercial work in these spaces produces ambitious forms of multiscale engagement. The result is the close proximity of bulk, containerized commercial deals, community-regulated retail commerce, and vibrant street economies. Business novelty engenders cultural innovation as class status, accumulation, and cultural capital have a flexibility unheard of when national manufacturing and restricted imports limited popular commerce and consumption. However, along with this flexibility have come new forms of volatility and vulnerability.

Thus, we come to the first point we would like to emphasize in this introduction. The growth, rapid adaptability, and reversals within street-level commerce in Asian-made goods have broad implications for how to conceptualize the popular economy in Latin America. The authors of this dossier observe transitions within grassroots commerce—some abrupt, while others evolve over time. The scale itself erodes the boundary between formal and informal, raises risks to place-based investments in family businesses, and reinforces the role of informal credit mechanisms. As trade flows move toward more favorable locations, upwardly mobile operators invest in containerized trade in order to assert influence farther up the supply chain, closer to the manufacturing power of Guangzhou and Shenzhen in South China. Surprisingly fluid ties have been fostered with formal enterprise and globally recognized brands. With all this in mind, it is not the mere inflow of manufactured goods “Made in China” that produces wealth and drives competition. Rather, the volume of goods is itself an index of the convergence of Latin America’s diverse popular urban economies with institutions of Asian-oriented international commerce. Accumulation of trading capital requires the management of cultural practices of credit, honing the tactics of travel, transnational order management, and strategies of diversification among imported and local goods.

To some extent, popular economies in Latin America have long had international linkages; in competition with expanding shopping malls and retail chains, as well as municipal campaigns aimed at removing informal vendors, these markets are familiar with uncertainty. However, the Asian-centered trading activity in urban markets and grassroots business has engineered new geographies of commerce. Below, we briefly review commercial dynamics in the region over the last decades to contextualize the present moment. We then focus on the role of anthropology in the emerging field of China–Latin America economies. We propose a historical informed ethnographic approach that may reveal the making of institutions, careers, and community amid popular trade in the context of Pacific-oriented political economies.

The spatial and organizational restructuring of the world economy in the 1970s, concomitantly with the establishment of Free Trade Zones in Latin America, brought about a first moment of inexpensive Asian-manufactured consumer goods in the region. As Müller and Pinheiro-Machado show in their articles, the free zones of Iquique in Northern Chile and Ciudad del Este at the borders of Brazil, Paraguay, and Argentina, respectively, embody the consequences of flexible production and dislocation for East Asia on the South American continent. Although planned as areas of industrialization and organized for the promotion of exports, as recommended by the World Bank and other international institutions worldwide, these places have developed into commercial entrepôt spaces. Family businesses, small import–export firms, and wholesale traders from the Middle East, South and East Asia with direct connections to factories and brokers in Taiwan, Hong Kong, and mainland China have settled in the zones. They were attracted by free import, export, transit, warehousing, manipulating and sorting, as well as by infrastructural developments that promised to integrate the zones with transnational hinterlands and accelerate the movement of peoples and goods. Multinational corporations have used the zones to distribute their brands across the region via the Asian trade intermediaries (Aguiar 2010; Müller 2017; Rabossi 2012).

Iquique and Ciudad del Este, as well as the dockside free trade zone at the city of Colón in Panama (founded in 1948, and connected to the Panama Canal), have reconfigured trade patterns and dynamics in South and Central America. Traders from around the region started to purchase wholesale at the zones to resell at marketplaces and fairs in their home countries. In some contexts, such as Bolivia, immigrant European providers have been displaced by native distributors as goods increasingly arrived from East Asia to the free zones. In a period of structural adjustment and economic necessity in the 1980s and 1990s, traders of lower urban strata, with rural backgrounds and of indigenous origin, have created geographically expanded commercial circuits. What started as commerce against the

odds is now connecting Latin America and China through networks of “low-end globalization” (Mathews, Lins Ribeiro and Alba Vega 2012; Smart and Smart 2005).

Historically, Chinese immigrants in the Caribbean, Central America, and coastal South America have spurred trans-Pacific connections and trade relations. With precursor arrivals in the sixteenth century in the context of the Spanish colonial Manila Galleons, Chinese migrants came to Latin America and the Caribbean in great numbers as agricultural laborers as part of the so-called coolie trade and as free migrants between the mid-nineteenth and mid-twentieth century. More recently, since the 1980s, Chinese out-migration toward Latin America and the Caribbean has taken off again. From the mid-nineteenth century onwards, other Asian communities have also settled across the region, from Middle Eastern migrants to Indians (especially in the Caribbean) and Japanese (in Mexico, Peru, and Brazil in particular) (Hu-DeHart 2002; Hu-DeHart and López 2008). The presence of Asian migrants embodies the historical nature of cross-ethnic interactions in local and regional economies in Latin America and the Caribbean.

Ethnographic Perspectives on the Power of Chinese Commodities

What can anthropology say about the remaking of China–Latin America economies? Certainly, ethnography may offer insights about the connections among economic activity and socially embedded trust, networks, credit, and investment. However, the problem of scale is ever present in Asian trade. What does the simultaneous presence of Chinese goods, actors, and infrastructures coupled with top-level, bilateral, and transregional deals among governments and large-scale enterprises mean for the conceptualization of Latin American popular economies? In particular, the multiscale nature of Chinese trade heightens the earnings and stakes of each deal. What do periodic broken deals or large losses mean for human relations among importers, wholesalers, and retailers, and between family firms, individual traders, and dependent employees? Here, anthropology can assess both the fragility and sources of resilience of transcultural business partnerships.

To do so, the authors in this dossier share an approach that combines fieldwork with a historical awareness linked to the perspective of Asians in Latin America. In this methodological commitment to ethnography, anthropologists offer a counterbalance to the prevalent “take-over” narrative of Chinese-backed investments: this has typically been a politically charged storyline—the Chinese “fever” or “invasion,” a popularized version of the “Beijing Consensus” (DeHart 2012; Slipak 2014), that regularly appears in the press and among politicians and scholars in Latin American countries and the United States. As a starting point, an anthropological awareness of community, family, generation, and time complicates this takeover narrative. The authors here have remained personally engaged with field

sites and interlocutors over longer periods of time, through periodic revisits and social media. Analysis of public discourse and policies, and how they are translated in particular places, enables them to track dynamics over several decades and grasp specific local interpretations. The articles included in this dossier follow the trajectories of traders and artisans as part of an unsteady social, economic, and political landscape. Taken together, they reveal the changing positionalities and subjectivities of economic agents and communities within Latin American popular economies.

Three themes are prominent. First, popular economies are increasingly difficult to delimitate in terms of a distinctive working-class position, ethnic background, or in opposition to mass, national-branded economies. Rather, they are composed of small-scale and middle-sized producers and service providers, of petty vendors, established retailers, and well-capitalized wholesalers and distributors, who regularly enter into deals that can entail dozens of shipping containers. One finds old and new brokers: Aymara, Quichua, and mestizo, Cantonese Costa Rican, and Taiwanese Paraguayan. Such ethnic boundaries are affirmed through trade, even as all groups gain facility in crossing these boundaries to strike deals.

Second, class and generation are important categories for understanding not just accumulation, but modes of credit, trust, and moments of shared interests. Put another way, in order to comprehend social dynamics and interactions, these articles move beyond concepts of ethnic economy and entrepreneurship as well as trade diaspora. They highlight economic transactions and commercial credit relations across borders and boundaries, and identify how specific class positions inform cultural identities and national sentiments.

Third, these articles relate popular economies to the contemporary realities of a rising China. In this sense, they are concerned about the impact of global dynamics of capitalism, especially as it reflects new national policies fomented to project robust, mutually profitable, bilateral relationships among Bolivia, Ecuador, Brazil, or Costa Rica and the world's new superpower. Thus, the authors never separate their analysis of the cultural foundation of socioeconomic lives of families, communities, and firms from the economic pressure that China now exerts on a global scale.

Popular Economies as Cultural Spaces

In Latin America, the term “popular economy” was coined by Peruvian scholars José Matos Mar (1984) and Aníbal Quijano (1998). Profoundly embedded in Marxist and structuralist debates on dependency and modernity, the informal and formal economy, this notion indicated a major shift in the analysis and political interpretation of Latin American petty traders and family businesses in the global

system. Rather than being regarded as a residual aspect of precapitalist modes of production, or as an impediment to “modern” economic development, artisanal and small-scale trade economies have been seen as distinctively contemporary and potentially transformative, operating at the margins of capitalism. Similar conceptual and epistemological aims, evoked by recurrent economic and financial crises, drive more recent proposals of a “social and solidarity economy” (ESS), and of “labor” or “human economy,” although these build on the work of Karl Polanyi (2001 [1944]), rather than on Karl Marx (Hart, Laville and Cattani 2010). Important scholarly work has centered on community organization as a distinctive feature of popular economies (Gago 2017; Tassi 2016). Nevertheless, a shared emphasis is placed on social institutions, networks, and practices of a “native” popular economy.

Meanwhile, contemporary popular economies have a different face than in the 1980s. At the same time as Matos Mar introduced the term, anthropological and sociological work started to focus on the street economies of rural–urban migrants in Latin American cities. Scholars analyzed the petty trade of first-generation Quechua and Aymara women and their hardships, created by class-, ethnic-, and gender-based discrimination and prejudice (Babb 1998 [1989]; Buechler 1978; Seligmann 2004). Today, rural and indigenous people continue to struggle to get a foothold in the city and make a living, because noncommercial, stable jobs remain the exception; others, however, especially second- and third-generation traders who receive starting capital, contacts, and knowledge from parents and family are in a different position. Independently of commerce in Asian goods, the growing socioeconomic differences in popular economies, the cultural and economic consequences of winner-take-all competition, and rapid shifts into and out of trades has unsettled many provincial economies (Antrosio and Colloredo-Mansfeld 2015; Colloredo-Mansfeld 2002).

Furthermore, despite the long history of migrant trading communities in Latin America and the Caribbean, their presence has hardly been acknowledged in the notion of the popular economy. This is all the more surprising because Asian family businesses—with often equally humble origins to native traders—are strongly involved in commerce, wholesale, and retail in the cosmopolitan free trade zones and beyond. Chinese stores and restaurants, if not Chinese districts, are part of the urban landscape throughout the region. Although they remain outside local traders’ associations in some contexts, and may even be the target of collective protests, they have long been a key part of regional popular economies. Turning an analytical eye on the role of Asian immigrant businesses can offer a more complete account of the workings of kinship relations and community ties within popular economies, the tactics of traders, and the sources of their adaptability. The study of Asian and Chinese migrants and their associated commercial activities will help complete an already diverse and entangled history of European, indigenous, and African

communities (Hu-DeHart 2002; Hu-DeHart and López 2008; Smart and Smart 2015).

As a distinct theoretical contribution, the authors in this dossier move beyond concepts that have conventionally been used to analyze migrant minority business in the Americas and in Chinese communities abroad. DeHart and Pinheiro-Machado dismiss Confucian cultural forms or the mobilization of ethnic identity as an explanatory variable for entrepreneurialism and business success, but show how certain values and experiences are invoked to mark socioeconomic differences and capitalize on the novel prestige of China and being Chinese. Müller and Colloredo-Mansfeld look at the issue of supplier's credit, a key transcultural form in the history of international commerce, yet under studied in anthropology. Informal agreements across national and ethnic boundaries on deferred payment between distributors and wholesalers, and between wholesalers and retailers, exemplify the mutual recognition of commonalities. Indeed, there is recognition of the necessity of trust building between initially less-known trading partners, even as actors struggle to achieve it. Credit between heterogeneous traders makes regional economies more robust and sustains long-term commercial relationships.

This Dossier

The first two articles track shifts in regional trade economies in the Northern and Central Southern Andes. In both areas, Ecuador–Colombia and Bolivia–Chile, commerce in Chinese products started to take off during the 1990s, preceded by an active transborder trade in both national and foreign products. The articles emphasize the imperative role of customary practices to sustain regional economies in times of macroeconomic and political reversals. Müller analyzes the interactions that have taken place since the early 1980s between Asian migrant businesses (located in the free trade zone of Iquique, in Northern Chile) and Bolivian traders: they have created a spatially dispersed, cross-ethnic distribution network of East Asian, mainly China-sourced, goods. She shows that an institution internal to the trade—supplier's credit—binds buyers and sellers together over space and time, providing crucial capital for expansion and accumulation. In this economic context, multinational corporations must respect the role of different market actors; they appropriate common loyalty practices, albeit not informal trade credit. The article considers the consequences of the growth of this trade, the overflow of Chinese-sourced goods, and the strategic adaption of big corporate actors to popular economies.

Whereas between Bolivia and Chile, contraband transborder trade continues to flourish despite political aims to cut it, Colloredo-Mansfeld's article focuses on how shifting fiscal and industrial policies in Ecuador have affected artisanal economies

and cross-border trade with Colombia. He tracks the routes of apparel across the Northern Central Andes as part of a long-term engagement of provincial economies with volatile national and international circumstances. Inexpensive Chinese clothes have been in competition with locally produced apparel throughout the 2000s and the dollarization of the Ecuadorian economy. Cross-border trade was then disrupted by the Correa government, and Chinese merchants moved from Quito to Bogotá. This did not automatically mean an advantage for all Ecuadorian producers. Given the ongoing impacts of the global economy under neoliberal and “post-neoliberal” policies in Ecuador, Colloredo-Mansfeld concludes that diminished and unpredictable national markets, in combination with traders’ own strategies of diversification, may mitigate the impact of recent Chinese investment.

Pinheiro-Machado describes the disruptive effects of socially unmediated shifts in national policies in relation to Brazil’s adherence to the global agenda of intellectual property rights (IPR) and border security. Closing the border and undercutting commercial flows between Brazil and the free trade zone of Ciudad del Este in Paraguay created a large-scale shut down of family businesses in the city, in particular among Taiwanese and Chinese family enterprises. Her analysis tracks how the most successful Taiwanese traders were able to relocate out of the region to São Paulo, although the more vulnerable resellers, mainly from mainland China, struggle to make a living. In this situation, Taiwanese families develop an encompassing sense of Chineseness—a self-representation that includes being more prosperous and deserving than their co-traders from the PRC. This sense of being Chinese is also proclaimed vis-à-vis Paraguayan traders in a situation of economic crisis.

Similarly, DeHart analyzes the new attractiveness of being Chinese as an economic resource for, in this case, both Taiwanese and mainland Chinese communities in Costa Rica. Against the same backdrop of the global rise of the PRC, but within a quite different context than Ciudad del Este, second-generation “Tico Chinos” capitalize on their binational biographical background. Knowledge of Mandarin and a university degree from Beijing have displaced the status previously gained from studying in the United States. These professional connections differ significantly from the transnational networks Chinese lower middle-class communities and first-generation immigrants have maintained over the last decades. Through DeHart’s analysis, it becomes clear that this Chineseness is a class-based and state-sponsored, contextual identity that serves to build individual economic futures. Her theoretical discussion and conceptual input significantly enrich the debate on Chinese diasporic entrepreneurialism. Taken together, then, these articles describe the divergent routes that Chinese-speaking migrant communities are taking at the current geopolitical and economic juncture of China and Latin America.

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