

the formal- informal dialectics of contemporary labour

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Today, the informal
economy is crucial not
only because the
reproduction of
economic production is
(and has been for
centuries) relying on it,
but because the
majority of the



workforce works
outside of formal
employment. My central
argument in the
following is that the
informal economy
cannot be isolated from
the global tendencies of
the broader political-
economic system(s)
one could call
postmodern capitalism.

To approach an
understanding of such
capitalism, the *notion*
“informal economy” is of
decisive relevance,
since it evinces that
postmodern capitalism
is less immaterial than
identitarian, meaning
that within it, coercion
and consent unite as
the “dull compulsion of
economic relations”
(Marx 2013, 765)¹ and
the trickling down of
ideologies – which are
both mediated first and
foremost through hybrid
markets. Thus,
preferring a
“capitalocentric”
(Gibson-Graham and
Cameron 2003, 152)
“bias against markets”
(Hart 1986, 649) over



an idealisation of
markets' postmodern
condition, I articulate a
critique of postmodern
capitalism and a
problematization of
some of its theorists. In
doing so, I demonstrate
not only the importance
of informality as a fact,
but also as a notion
especially for any
critically engaged
academia, including
economic anthropology.
After having clarified
what may be
understood as the
informal economy, I will
thus draw on
ethnographies (with two
in focus) to outline why
informality is of prime
relevance to critically
grasp the contemporary
world – within which
micro- and macro-levels
cannot be easily
disassociated from
each other.

What is the informal
economy and why is it
relevant?



A romantic picture of the informal economy stages it as outside of official institutions' control – outside of the sphere of banks and their credit policies, of states and their taxation pursuits, of economics departments and their mathematised world of statistics. Less romantically addressed, informal workers are not protected by any securities a state or a union can grant; nor are they organised in any other way to defend their rights against the interests of capital. How can informality be defined, then?

Broadly defined, the informal economy includes household work², and is thus conditional for the informal reproduction of formal producers caught in the formal-informal dialectics of capitalism (Meillassoux 1975³). More narrowly defined, as it was done when the term was

when the term was

coined (cf. Hart 1973), informal workers are those that work mainly illegally and/ or self-employed. Such informal work gets – up to today, and meanwhile in the West, too – people, whether they have a formal job or not, the cash which they rely on to survive (and sometimes to live a bit more decent). This is possible because informal flows of cash are not depending on large sums of capital, skill or economic planning, but on non-permanent, flexible and irregular activities.

These may be done “day and night” (Breman 2009, 3) “at home, in sweatshops”, in the factories next to regular labour or “in the open air” (ibid., 1).

Apart from such minimal definitions, the informal economy is not formaliseable, and thus cannot be exhaustively defined in theory either. Practices that belong to

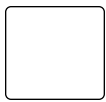




the informal economy
(as the notion will be
used here) comprise

- casual jobs,
moonlighting,
subcontracting and
outsourcing
- housework
including farming
(the latter
mentioned by Hart
1973, 70)
- small-scale
distribution (petty
trade) and informal
exchanges like
theft, “income flows
between kin” (ibid.,
74), gift-giving,
begging,
smuggling,
gambling,
bargaining, dealing
and bribing
- activities of
“protection rackets”
(Hart 1973, 69) on
the one hand and
diverse “support
networks” (Mollona
2005, 540) on the
other.

Despite the problems

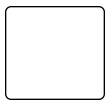


regarding definition, it should be clear that the informal economy is a or perhaps *the* relevant economic notion nowadays, since it “comprises more than half of the global labour force and more than 90% of Micro and Small Enterprises (MSEs) worldwide. Informality is an important characteristic of labour markets in the world with millions of economic units operating and hundreds of millions of workers pursuing their livelihoods in conditions of informality.”⁴

The question *why* the notion is as relevant as it is, however, asks what the *background* to such characteristics is. I argue that this background is filled quite comprehensively with a postmodern capitalism that forces people planet-wide into the multi-faceted networks mainly of “small-scale capitalism



and informal entrepreneurship” (Mollona 2005, 530). In the global South, individuals were and are economically coerced into informality, f.e. as a non-accumulating survival strategy, or as a middleman-work for transnational companies (the latter especially in the case of clan, community and family heads, politicians and bureaucrats). The North, meanwhile, has lived through decades of neoliberal policies ranging from de-industrialisation and the flexibilisation of the labour markets over the smashing of unions and the deconstruction of the welfare state (of unemployment benefits and safety regulations, pensions as well as child, health and elderly care) to extensive debt policies (cf. Lazzarato 2012; 2015). As a result, many workers in the global North have



no other choice but to supplement their formal incomes informally and often illegally.

Therefore, what I argue for over the next pages is that we are living in a postmodern *version* of capitalism rather than in any kind of “post-capitalism” (Gibson-Graham 2006; Mason 2015). Whereas it is nothing new to feminist economic anthropologists that the reproduction of the production and thus of the accumulation cycle of capital lies outside of waged labour (cf. Mackenzie and Rose 1983), the *interpretation* of such reproductive and other informal work as “*post*”-capitalist could and perhaps *should* be news to such feminists – especially to those drawing on theories that emerged before the postmodern turn (Lyotard 1979; Eagleton 1996; 2003). It perhaps *should* be news because mere

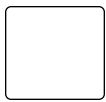


postmodern “re-
thinking” (Gibson-
Graham 2014) of
modern categories risks
doing nothing but to
change the *ideas* we
have of the world
instead of changing *this*
world itself.⁵ Arguably, it
remains necessary for
any critical
contemporary
anthropological
assessment to stress
that most humans and
many non-humans are
not only still, but
increasingly forced to
live in a global
postmodern capitalism
that is in itself
oscillating between
hegemonic and
despotic, central and
peripheral, con-sensical
and openly violent
modes (Burawoy 1985).
As such, it is self-
constituting as the
constant synthesis of
an “internal dialectic”
(Mollona 2005, 531) of
its own antitheses.
Since “consent and
coercion are dialectical
terms to be studied
both in the realm of



production and in the realm of reproduction and at the micro- and macro-economic level” (ibid., 543-544), allegedly “post-capitalist” aspects should – rather than being celebrated as “stories of everyday revolution” (Gibson-Graham, 2014, p. 147) – be grasped as (innovations of the) *productive forces* within and *of* postmodernised capitalism.

In the next pages I will, with the help of ethnographies and their descriptions of informality, validate these reflections. The aim is to get to a more profound understanding of postmodern capitalism in order to grasp, in turn, *why* the informal economy is as crucial as it is today. This goes beyond mere academic reasoning. If we want to be “opening up a myriad of ethical debates [...] about the kinds of worlds we as



feminists would like to build” (Gibson-Graham and Cameron 2003, 153 f.), we need to be aware first and foremost of what is constantly *closing* such worlds and horizons with all their windows of opportunities – by synthesising different, even contradictory forms of power. For this reason, a critical reading of the *way informality is described* in some studies and theories must be delivered first.

Informal labour and entrepreneurial romanticism in the 1970s and today: Keith Hart in Ghana

Keith Hart’s seminal text on the informal economy relies on a fieldwork conducted by him between 1965 and 1968 in the City of Accra in Southern Ghana, especially within its northern



outskirts' slum centre
Nima, and with special
consideration of the
sub-proletariat and the
Northern Ghanaian
“Frafra” migrants (cf.
Hart 1973, 61 ff.). Back
then and there, the real
incomes of urban wage-
earners were
decreasing (cf. *ibid.*, 64)
– not least due to “the
[policy] goal of
maximising
employment
opportunities through
keeping down the
wages of those who are
already employed” (83).
As a result, formal
labour income couldn't
ensure survival,
particularly not that of
families. To deal with
the “lot” of “high living
costs and low wages”,
creating a
“supplementary income
source” (65) became
necessary, mainly by
“emulating the role of
the small-scale
entrepreneur” (67).

Hart points out that
although these
“unorganised workers”

unorganised workers

played (and play) an “important part [...] in supplying many of the essential services on which life in the city is dependent” (68), and although informal work was (and is) crucial for individuals as well as for whole economies, the employment statistics of “economists”⁶ “equate significant economic activity with what is measured” (84) – which, effectively, censors not only informal work but also the rural and regional sector from official accounts.⁷ Against this, Hart demands to incorporate the informal sector into economic thought in order to deal not only with abstract economists’ interests but also with poverty as well as with informal opportunities of survival which both transgress the boundaries of classical economics and its taboos. As a result, for example,



“[u]rban crime may then be seen as a redistribution of wealth” (86). With such proposals, Hart’s 1973 article is critical of the orthodoxy at the time, namely of Keynesianism and its complete reliance on wage-labour and on full employment; he is critical of it, firstly, because having one job does not equate to being able to ensure survival on its wage (cf. 83); and, secondly, because “income levels” are, from the perspective of the people, “more relevant than the definition of underemployment” (84).

Today, after some decades of neoliberal orthodoxy, Hart’s theses are widely accepted. Without doubt, the informal economy has an “autonomous capacity for growth” (87), and indeed, “Accra is not unique” (89). It is obvious that economic analysis in



the 21st century needs informal labour as a notion, not only because “half of the urban labour force falls outside the organised labour market” (88) but because, nowadays, more than half of the global population does so. Moreover, it can no longer be denied that “[f]ormal and informal livelihoods not only coexist, but also directly constitute one another” (Bolt 2012, 127) – in neoliberal times as well as before and after.⁸ Yet, precisely for that reason, it seems to be questionable whether “celebrating the below-the-radar creativity of informal entrepreneurs” (ibid.) remains the task of a critically engaged anthropology. If it was and is true that “regular wage-employment, however badly paid, has some solid advantages [mainly reliability and predictability]; and hence men who derive



substantial incomes
from informal activities
may still retain or desire
formal employment”
(Hart 1973, 78),

then informalisation
must be seen more as
a threat than as a
chance to individuals
and communities. In
contrast, there is a
certain praising tone of
informality in Hart’s text,
although he makes
clear that “most urban
workers”

“would usually take a
wage job, as long as it
did not seriously limit
the scope for continuing
informal activities, on
the grounds that the
income provided is
secure, i.e. fixed,
regular, and relatively
permanent.” (Ibid., 83,
original emphasis.)

Nevertheless, instead
of celebrating the
“egalitarian philosophy
of [former peasant]
peoples” (87), Hart
seems to celebrate
“informal economic
activity, associated with



entrepreneurial

creativity” (Bolt 2012, 114) – a celebration that comes close to a romanticism usually known from liberal-capitalist corners.⁹

Indeed, in Hart’s opinion, “enterprising worker[s]” (Hart 1973, 72) full of the “prospect of accumulation” (ibid., 88) have “scarcely less than infinite” (74)

working opportunities (at least in 1973): “the range of opportunities outside the organised labour market is so wide that few of the ‘unemployed’ are totally without some form of income” (81).¹⁰ Yet, at

least today, and without the romanticism of infinite possibilities to adventurous

entrepreneurs, if anything, informal “survivalist strategies occasionally become means for modest

accumulation” (Bolt 2012, 124). In good cases, supplementing wages with informal work may “establish



work may be...
predictable lives” (ibid.,
119) for people that are
“mutually dependent in
their precariousness”
(122). But even then,
precariousness is the
very *base* of informality:
the “now ‘diversified’
economy offers only a
few precarious
positions” (Gibson-
Graham 2014, 152). In
short, the
omnipresence of
markets and of their
self-marketing
imperatives is less a
blessing than a sign of
precariousness,
instability, scarcity,
poverty and extreme
vulnerability of
individuals (cf. Breman
2009). As Maxim Bolt
put it recently:

“From one perspective,
Grootplaas’s compound
[a commercial farm at
the Zimbabwean-South-
African border] is full of
businesspeople. But
these various forms of
work and exchange are
all ways in which
Grootplaas residents,
surrounded by



transience and
uncertainty, reorient
their practices to
establish provisional
stability.” (Bolt 2012,
127.)

Such instability,
uncertainty and
precarity cannot be
understood without
taking into account their
global backgrounds.
Neither were the
residents of Accra in
the 1970s, nor are
those of Grootplaas
today exceptional cases
of informality, or
isolated from the rest of
the world. Indeed, with
the global workforce
being largely
informalised, it seems
that nowadays, rather
than the “[m]ore
optimistic liberals”, the
socialists are those who
are right in arguing “that
foreign capitalistic
dominance [...]”
determines the scope
for informal (and formal)
development” (Hart
1973, 88 f.). Some of
the ways in which
formal-informal



capitalist dominance
works have been
described by
Massimiliano Mollona:

“[G]lobal corporations
outsource exploitative
work to small-scale and
family-owned firms
rooted in local
communities [...] Global
corporations co-opt
high-caste individuals,
community leaders,
patriarchs or gang
bosses into their
production chains and
these in turn, extract
labour surplus from
lower caste and
community members.”
(Mollona 2014, 196.)

“[W]hen Teddy [a
worker who
supplements his wage
informally in Sheffield]
recruits cheap labour
and disciplines his
working mates during
the weekly snooker
tournaments he
believes that he is
increasing his
leadership,
entrepreneurship, and
grip over the local



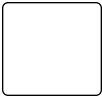
economy. In fact, he is reproducing within the neighbourhood the managerial and organizational capitalist functions from the factory. In addition, Teddy's patriarchal grip over the unpaid labour of the family reproduces his condition of exploited casual labourer in the steel industry." (Mollona 2005, 544.)

In other words, even if the informal economy is "autonomous" (Hart 1973, 61, 87, 89), this can't be easily equated with more autonomy for all the people. Rather, certain "bias against markets" (Hart 1986, 649) may be justified, yet not one in support of the state or of some economics departments and their orthodoxies – but one in support of those in need. Such bias may be justified because although informal work doesn't fit into Keynesian, Fordist or Taylorist schemes, it

fits quite handsomely
into the Toyotist
precarising labour
regime of today's
postmodern capitalism.
Precisely for that
reason – as I argue in
the next paragraph with
the help of another
ethnography –, the
informal economy has
become as crucial as it
is nowadays.

Postmodern capitalism
and the trickle down of
ideology: a factory
without walls in
Sheffield

Between 1999 and
2001, Massimiliano
Mollona conducted
fieldwork in Endcliffe, at
the East End of
Sheffield in the UK (cf.
Mollona 2005, 546,
footnote 1). Endcliffe is
a classical industrial
(steel) region whose
labour market has
become de-regulated
and de-industrialised in
the latest era of
“despotic capitalism”



(Burawoy 1985). The inhabitants have reacted to it

“by pooling their incomes in extended and flexible households, embedding economic transactions in the social hierarchy of the neighbourhood, and mixing informal exchanges and production with the formal organization of the factory.” (Mollona 2005, 543.)

In short, the people of Endcliffe supplement more formal earnings with coexisting informal extra incomes – from illegal activities and subcontractions off-the-books to mutual exchanges and state benefits. Mollona thus analyses not only the conditions and relations in the tool-producing factory “Morris”, but also those within (transformed, this is extended) family relations and the general neighbourhood. All these are interlinked.



For example, the pub “Khaled’s” serves not only as a discussion and negotiating platform, community centre and regional political basis (cf. *ibid.*, 539) – where, amongst other things, the intra-workforce-division is ritualised (cf. 540, 544) –, but also as a local job centre (cf. 538). On the other hand, at the alleged “family business” (543) Morris, there is a “lack of visible authority” (533) because the owner is usually absent (due to his own informal ghost factory). The resulting “informal style of management” (534) splits the workforce into two: there are seven older skilled hot workers (forgers), and eleven younger un- and semiskilled cold workers doing mainly repetitive work. The hot workers act as petty-capitalists by

- renting the means

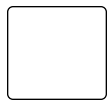
of production from

the owner (cf. 537),

- recruiting new labour,
- self-organising factory labour, and
- “complementing [their own] wage-work with informal economic activities” (528) whose most lucrative is the scrap trade (cf. 536).

In doing so, the skilled and older hot workers engender a patriarchal and nepotistic (cf. 532) style of ruling over “their” cold workers, apprentices (cf. 543), families and neighbourhood. The other half of labour at Morris is comprised of cold workers that are part of a flexible workforce which is completely subsumed under capital and fully relying on wages (cf. 537). In this way,

“the informal economy of Morris fragments the



workforce into a 'core'
and a 'periphery' and
hides their common
subsumption to capital
by incorporating
relations of production
in Morris into capitalist
relations in the steel
industry." (538.)

In short, global relations
of core and periphery
are structurally
reproduced on a micro-
level, here in the North,
not least via an
informalisation that
hides its own capitalist
triggers. The example
suggests that
Burawoy's (1985;
Mollona 2005, 543)
historic categories of
"despotic" and
"hegemonic" capitalism,
in our times, are
merging into one,
namely into *postmodern
capitalism*. In it, the
coercive period called
neoliberalism seems to
rule as a hegemony not
only in economics
books and state
policies, but also in the
heads of many people:
from entrepreneurship



to self-exploitation, *if*
nothing else, ideology is
trickling down. Hence,
“the role of the workers’
subjectivity in
reproducing the
interests of capital”
(ibid.) must be
highlighted. Arguably,
there is no capitalism
that is not coercive, and
none that is not
hegemonic at the same
time; it is always both,
not only today. People
are usually “co-opted
into production through
an articulation of
coercion and consent”
(545), and even more
so through the
postmodern trend of
informalisation:

“when Teddy
supervises the
domestic economy and
optimizes the
productivity of his
family, he is only acting
as a representative of
Mr Reed [the classic
capitalist, the owner of
Morris] and ensuring a
cheap cost for the
reproduction of the
conditions of his



production. In the eyes
of his relatives,
however, Teddy is the
exploitative boss and
the capitalist profiting
from their labour.”
(543.)¹¹

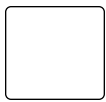
Teddy, therefore, is a
good example of
ideology trickled down,
of the merging of
consent and coercion
and especially of the
micro-powers of the
“politico-economy”
(529) of postmodern
capitalism. The point of
this dynamic and
fluctuating, informal
capitalism is less that it
immaterialises labour
(Lazzarato 1996) than
that it *combines more*
“archaic” identitarian
with today’s hyper-
industrialised techno-
*regimes*¹² :

“post-modernity has
materialized as a hybrid
mixture of industrial
wage-work and bonded
labour, nuclear families
and patriarchal
ideologies of male
productivity, mass
production and cottage



industry, mechanization
and hard and wearing
manual labour.” (546.)

This hybrid mixture of
formality and informality
can be metaphorised as
a “factory without walls”
(530; cf. Negri 1989), in
which not only monads,
Robinsons (cf. Marx
2013, 90) and other
abstractions of
“methodological
individualism”
(Milonakis and Fine
2009, 5) produce,
reproduce and
consume, but the
general intellect (Virno
1996) as well as the
general affect: the
creative, inventing,
spontaneous, informal
capacity of
communities, families,
teams and swarms.
Indeed, these
“emotionally
exploitative” conditions
go hand in hand with
“emotionally creative
ones” (Gibson-Graham
and Cameron 2003,
153). The factory
without walls fabricates
a global *identity*



capitalism (cf. K. Meagher 2010; Mollona 2014, 196) based on informality “along”, f.e., moralistic, nepotistic, social, “gender and generational lines” (Mollona 2005, 544). In fact, the latter is a common feature of all informal economies, and had been so already back in the late 60s in Ghana: “The uneven distribution of economic opportunities between regional/ethnic groups of Ghana is striking.” (Hart 1973, 77.) Trapped in a system with the x coordinate “antagonism” and the y coordinate “collectivism”, “ethnic affiliation” and “informal social networks” (ibid.) combine with the necessity of working for survival in markets where *all co-opt each other into coercion* (cf. Mollona 2005, 543).

Mollona’s study in Sheffield can thus be read as an ethnography



that delves into
postmodern
capitalism's informal
merging of community,
family, factory,
(semi-)public space
(Khaled's) and homes
(tenants as petty-
capitalists – cf. Mollona
2005, 542). For all of
these parts at least also
merge into the micro-
and macro-realms of
formal/informal markets
and their highly
profitable identity
economies.

The notion of the
informal economy:
relevant to question
“post-capitalism”

As the two
ethnographic overviews
and the accompanying
texts have shown,
“piecing together
diverse labor practices
– salaried labor, for
example, with
household-caring work,
with services provided
under the table”
(Gibson-Graham 2014,



151) is done under the reality of capitalism, and not only performatively by postmodern theorists using the notion “post-capitalism” (Gibson-Graham 2006). This is, it is done by (postmodern) capitalism itself, whose most important process is one of informalisation. For “capitalism” is not restricted to wage labour but rather needs to be more openly categorised as a system that forces everyone for reasons of survival to *identify* at least partially with its own accumulating interests. Indeed, “different regimes of value” are thereby reduced to make “ends meet” on capitalist markets (Gibson-Graham 2014, 151). Whereas of course, capitalism is not everything, it is as all-encompassing as it is exactly because it valorises progressively



its outsides on which it always depended. In this vein, it could be argued that instead of enlarging, in theory or practice, the “scope of the economic” (Gibson-Graham and Cameron 2003, 147), its realms of false necessity (cf. Marcuse 1965) need to be restricted, namely through political choice.¹³

Gibson-Graham’s postmodern model of post-capitalism seems to propose something different. Apparently, their “representational politics” (Gibson-Graham and Cameron 2003, 153) of a “performative ontology of economy” (Gibson-Graham 2014, 152) solely performs or *acts as if* the economy was already “different” and “diverse” – instead of highlighting that we must change and diversify it. Such affirmative postmodern politics that “collapse[s] the distinction between



epistemology and ontology” (Gibson-Graham 2008; Gibson-Graham and Cameron 2003, 149) wants to liberate a “subordinate *term*” (ibid., 146) from a “capitalocentric” *logic as discourse* – which is not the same as liberating *subordinate living beings* from *materially capitalist conditions*. Gibson-Graham’s position thus may resemble a kind of postmodern idealism that idealises the status quo instead of pointing out how brutal, destructive, murderous and even “totalitarian” (cf. Gorz 2001; Kurz 2002; Amery 2002) it is.

Beyond such a strand, and following Marx’s eleventh thesis on Feuerbach, the point is not simply to *rethink* or think differently about the economy (thereby risking to give the given a more sophisticated discursive mask or ideology), but to *change* it; not only to *see more*



difference (cf. Gibson-Graham and Cameron 2003, 151) but to *create* it. For one doesn't "abandon the structural imperatives and market machinations" by simply *denying* them, or by claiming that they are only existing in a "capitalocentric discourse" (ibid. 152). Instead, one only abandons them by overcoming capitalism which will not be done by merely *claiming* that it has already been overcome ("post-capitalism"). For sure, it is only *by overcoming capitalism* that one could free work and lay multiple foundations for more diverse economies. This is because as long as we live *within* capitalism, unpaid and informal work are not post-capitalist (cf. ibid.) *but exploitative*; similarly, reproductive work is not post-capitalist (cf. ibid.) but a *necessity of capitalism's own survival*: and



environmental enterprises are, rather than being post-capitalist (cf. *ibid.*), single drops in the bucket (cf. Klein 2014).

The “performing of post-capitalism”, then, may politically be a potentially dangerous concept, since it creates, to return to Burawoy and Gramsci, a form of (theoretical) consent in the midst of (material) coercion – thereby following the dialectics of postmodern capitalism. Consequently, the general celebration of informality as proto-post-capitalist or as a “counter” or “love economy” (see Gibson-Graham and Cameron 2003, 148) comes, like Hart in the 70s, close to neoliberal attitudes.¹⁴ Those attitudes, however, are usually held not by radical intellectuals but by institutions like the IMF, the World Bank or the Wall Street Journal (cf.



Breman 2009, 1).

Against them, and more critical of today's postmodern *version* of capitalism, one could ask: "if capitalism always creates inequality, does it matter if it is local or foreign?" (Mollona 2014, 187.)¹⁵ And equally: does it matter if it is formal or informal, or whether it is done, say, by a capitalist or a family member?

In fact, as I tried to demonstrate, postmodern capitalism consists of both, waged *and* informal work, coercion *and* consensus/ ideology, the "mute force of economic relations" (Marx 2013, 765) *and* its partial internalisation by the exploited.

Hence, whereas I am definitely with Gibson-Graham in their "commitment to an open future" (Gibson-Graham 2014, 149), I think such commitment is better served by



critiques of the present
than by an approach
that ignores its larger
contexts.

Conclusion

I argued that the
informal economy is
relevant not only
because, today, more
than half of the
workforce work
informally; and not only
because capitalism's
own reproduction
always relied on it; but
because the current
economic system can
be metaphorised as a
huge *formal-informal*
factory without walls.

Arguing in this way, I
have shown that the
notion of informality is a
crucial tool to any
critical reflection on the
contemporary world,
and on its version of
capitalism, which can
be called postmodern.
For today, there is not
only a neoliberal "nexus
of control by *both state*

officials and employers”

(Bolt 2012, 117, emphasis in the original), but an ideological nexus of (formal) multinationals and (informal) micro-powers, of (formal) capital and (informal) identities, of (formal) despotism and (informal) hegemony; in short, of formal-informal markets, states and societies.

In this sense, simply being *for* society and *against* the state (Clastres 1974) – as many anthropologists still seem to be – delivers, paradoxically¹⁶, a kind of neoliberal ideology when, “[i]n times of globalisation, financialisation, petty capitalism and regionalisation, *economy and society tend to blur into each other*” (Mollona 2014, 205, my emphasis). Equally, by being one-sidedly pro market and/or pro community, and



only against the state
and some Western
manifestations of
institutions (cf. Hart
1986, 651), one is in
danger of ideologising
the postmodern version
of capitalism's very own
formal-informal merging
of markets,
communities and
institutions.

Instead, a critically
engaged anthropology
should question the
reality of informality as
a radical alternative if it
does not want to serve
the interests of the
identitarian reign of
asymmetrical short-
cycled capital.¹⁷ Thus,
it should neither
“romanticize ‘traditional
practices’” (Gibson-
Graham 2014, 149),
identities and
communities, nor
markets and
entrepreneurship.
Rather, it needs to
problematise both
*“formal political
authority” and “non-
formal social authority”*
(Bolt 2012, 112, my



italics), and especially
that which holds these
two together nowadays
– which is a
postmodernised,
“regionalising” version
of global capitalism.

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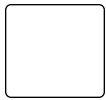
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Footnotes

1In the original, it is not only the “dull compulsion” but the “mute force/ coercion” of economic relations (and conditions): “*der stumme Zwang der ökonomischen Verhältnisse*“. I got the English translation from <https://www.marxists.org/archive/marx/works/download/pdf/Capital-Volume-I.pdf>, 523/549, accessed 8/4/18.

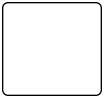
2The ILO doesn't define it in that way. Cf. <http://www.ilo.org/public/english/standards/relm/ilc/ilc90/pdf/pr-25res.pdf>, 25/53 ff;



http://www.ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/publication/wcms_234413.pdf, 45 – accessed 1/4/18.

Nevertheless, I will use the broader definition of the term for reasons that will become obvious.

3Whereas Marx, following classic economic theory, thought of developed capitalism mainly as a wage regime that abandons all other ways of meeting ends, it has convincingly been argued that capitalism necessarily consists of both, of wage workers' exploitation and of the hyper-exploitation of different forms of primitive accumulation (cf. Federici 2004) – of formal *and* of informal regimes, including, f.e., patriarchal, colonial and racist institutions and practices (cf. Mies 1986). This is one of the reasons why doubt should be cast not only



on “futuristic vision[s] of
[...] Autonomist
Marxists” (Mollona
2005, 545) but also on
Marx’s general claim
regarding the
revolutionary “nature” of
capitalism. In other
words, the economy is
not, as Polanyi tried to
categorise it,
divorceable from the
political, social, public
or societal realm (cf.
Graeber 2014) – rather,
factories, in a way,
never had walls (cf.
Negri 1989, 105).

⁴[http://www.ilo.org
/global/topics
/employment-promotion
/informal-economy
/lang--en/index.htm](http://www.ilo.org/global/topics/employment-promotion/informal-economy/lang--en/index.htm),
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⁵Cf. Marx (1990, 535),
the eleventh thesis on
Feuerbach, emphasizes
in the original:
“Philosophers have only
interpreted the world
differently; the point,
however, is to *change*
it.” In German: “Die
Philosophen haben die
Welt nur verschieden
interpretiert; es kommt

interpret, es kommt

aber darauf an, sie zu
verändern.”

6Cf. for Hart’s general
scepticism regarding
economics (1986, 652,
footnote 4):

“Economics, like
evolutionary biology,
stands as a bridge
between medieval
cosmology and the
modern aspiration to
place our collective
affairs on a rational
footing.”

7The latter since the
“formal sector
monopolises trade with
the ‘rest of the world””,
Hart 1973, 85.

8As stated, before and
after, capitalism relied
and will rely on informal
non-salaried
reproductive labour
mainly done by women
within patriarchal
societies.

9For an extreme
representative of such a
corner, cf. De Soto
1989.

10For example,
informal workers were,



in a “general scarcity of cash” (Hart 1973, 76), “putting themselves in the position of the bank” (ibid., 75) in a “small niche” (71) with neither bosses nor capital.

Hart, however, does not mention that the

“scarcely less than infinite” “opportunities outside the organised labour market” include, in the reality of the informal economy, non-voluntary

“opportunities” such as prostitution, child labour, and human trafficking. Cf. Chang (2011) for what it means for the poor when there is no regulation to labour and no limitation of markets.

¹¹For similarities in the South between 2006 and 2008, cf. Bolt 2012, 123, at the

Zimbabwean-South African border: “The constraints placed on farm workers’ lives by their white employers offer opportunities to informal business-



people. But the farms themselves only function because black residents satisfy workers' needs through informal arrangements.”

12Hart implies something similar already in 1986 regarding monetary and credit systems: “our plastic-toting yuppie culture is nearer to Malinowski's *kula* ring than either is to traditional 'coin of the realm' or to nineteenth century experiment in gold-backed currency” (Hart 1986, 651).

13This can be stated against the theories of anthropologists that see markets and economies everywhere (which is how they, arguably – although they overcome commodity fetishism – eternalise reification), thereby coming close to neoliberals and orthodox Marxists (cf. Jameson's “Marxist” celebration of Gary Becker: Jameson 1992, 265). Arguably thus,



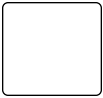
these three very different strands unite in economism or in sorts of economist imperialism (cf. Milonakis and Fine 2009).

14Which makes some sense: Bolt writes (2012, 116), relying on Bernstein (2007), that, amongst other things, “informalization is the result of [...] globalized neo-liberalism”.

15Rather than affirming informality, perhaps it should still be stated: “From the perspective of the world’s underclasses, what looks like a conjunctural crisis is actually a structural one, the absence of regular and decent employment.” (Breman 2009, 3.)

16It seems paradoxical at least on account of Thatcher officially wanting to “get rid of society”.

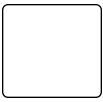
17Cf. Srnicek and Williams as well as Graeber for some



similar arguments: “the contemporary left tends towards a folk politics that is incapable of turning the tide against global capitalism”

(Srnicek and Williams 2015, 85);

“anthropologists risk, if they are not careful, becoming yet another cog in a global ‘identity machine’, a planet-wide apparatus of institutions and assumptions that has, over the last decade or so, effectively informed the earth’s inhabitants (or at least, all but the very most elite) that, since all debates about the nature of political or economic possibilities are now over, the only way one can now make a political claim is by asserting some group identity, with all the assumptions about what identity is” (Graeber 2006, 101).



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Coercion, Consent, Ideology,

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