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*Brindisi to the Brindisians*, graffiti in Brindisi, Italy. Photo by A. M. Pusceddu.

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## **In/formalization**

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## Recrafting in/formality, leveraging public market trade in Baguio, Philippines

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**ABSTRACT:** With growing urbanization, Southern governments often privilege large-scale developments that frustrate urbanites' livelihood needs. In Baguio, Philippines public marketers counter such top-down disenfranchisement by operationalizing formal "advocacy" and informal "everyday" politics. That authorities negotiate agreements to accept payments for marketers' infractions, I argue, materializes complex and complicit intersections of formal/informal and legal/illegal practices.

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### *Introduction*

Bustling public markets are a hallmark of many Southeast Asian cities<sup>1</sup>. Yet throughout the Global South, explosive urban growth has prompted governments to embrace a vision of modernity that favors large-scale development projects (e.g., supermarkets, shopping malls) rather than responding to the diversity of urbanites everyday needs. By disenfranchising these vibrant provisioning sites – venues that planners view as “pre-modern” remnants of entrepreneurial trade – governments limit residents' livelihood and consumption choices. My ongoing research on the redevelopment of the Baguio City Public Market in the northern Philippines, however, demonstrates that despite the city's urbanization agenda, marketers' advocacy to maintain their long-standing enterprises and the personalized networks they entail have, to date, secured their livelihoods while materializing complex intersections of spatial politics and formal/informal and legal/ illegal practices.

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This paper engages these issues by investigating the mainstream strategies and the edgy sideroads through which Baguio's public market vegetable retailers sustain their businesses given municipal policies that repeatedly threaten their security. I argue that although the municipal government agenda privileges privatized and sanitized spaces, marketers successfully use a range of "advocacy" and "everyday politics" – civil lawsuits, petitions, occupying public space – (Kerkvliet 2009) to contest constraints imposed from above. Marketers create new interstitial economic spaces within old ones, for example, by consigning produce to ambulant, often unauthorized, street vendors and by expanding their stores into public market aisles. By fashioning such in-between or "gray spaces" of commerce (Yiftachel 2012) and subsequently obtaining "formal" and "legal" permission to pay rent to do so, highlights that the city, despite its modernist rhetoric, is complicit in using informality and extralegality as urban organizing logics when enabling these concessions is to its advantage. I thus suggest like Smart and Zerilli (2014: 226, 227, 223) that informality and extralegality ("not-yet-legal") emerge as «a style or set of practices» rather than as distinct sectors of the economy and that their on-the-ground application demonstrates how urban organization is diversely shaped by local interpretations of what is formal, informal, legal and illegal<sup>2</sup>.

Ultimately, Baguio City Public Market retailers explain that to sustain their enterprises they have had to activate available resources across sectors. In 1995, the Baguio government awarded the market redevelopment contract to a Manila company, UNIWIDE (Marvil 2017). To challenge this contract's anticipated threat to their business autonomy, marketers have launched a series of formal civil lawsuits and appeals while simultaneously operationalizing everyday politics, both of which continue to thwart the city's redevelopment plan.

To situate Baguio's public market trade, I explore how cities might address the competing demands of capital accumulation and urbanities' subsistence needs. Focusing on the retail sales of fresh vegetables, I then explore the channels through which marketers reinforce their central role in local food provisioning systems.

### *Repositioning cityness and informality*

Rather than governments imposing an image of "cityness" that privileges well-off urbanites, Jennifer Robinson (2006: 10) argues for policies to adopt an "ordinary city" perspective – a "reterritorialisation"– that considers «the city "as a whole" [...] in all its diversity and complexity». Public market trade,

2. See Smart and Zerilli (2014) for a detailed analysis of "extralegality".

rather than indicating activities of underdevelopment, evidence how sellers use «proximity in economic interactions to cement relations of trust» between individuals and organizations and thus create a more responsive and reflexive city (Robinson 2006: 110). As Douglass and Daniere (2009: 1-2) remind us, in situations of limited infrastructure development such as that in Baguio (e.g., poor housing and social service provision), the street, public markets, and other public or “life-spaces” become crucial settings for inventing ways of being sociable, earning a living, and gaining recognition. Finding ways of being modern in cities worldwide then is realized, not only in the formal built environment, but also in flexible private and public spaces and enacted in personal performative socioeconomic practices.

That Baguio vegetable marketers have occupied public space to expand their businesses and subsequently, as noted, secured municipal permission to do so, illustrates how governments, in effect, have “formalized informality” (Smart, Smart 2017: 3) when it is to their advantage (e.g., increased rental income). Both Baguio marketers and the city have exploited the fuzziness of any formal/informal and legal/illegal spheres to highlight, as Ananya Roy (2009) argues, that from the outset informality is inherent in city planning as planners determine which activities are authorized and which are not. Supported by relations of trust, Baguio marketers’ «self-made urban spaces, reclaimed and appropriated sites [...] created by predominantly marginalized communities» through legal and not-so-legal means – thus provide «new expressions of the collective realms» that can realize diverse and inclusive contemporary cities that respond to urbanites’ varied needs (Hou 2010: 2).

### *Baguio and its public market*

Baguio, an urban center of 300,000, is the government, education, and administration hub for northern Luzon’s five mountain provinces and as such provides the customer base new businesses seek. As the altitude of Baguio and its surrounding area are above 1,500 meters, the cool temperatures enable farmers to grow highland temperate-climate vegetables (e.g., broccoli, cauliflower, carrots, cabbage) that are unique to this region and thus provision a large part of the country. At the retail level, my focus here, Baguio consumers obtain upland vegetables as well as lowland produce (e.g., string beans, squash, eggplant, fresh greens) trucked in daily from neighboring provinces, at the public market, from street vendors, and in supermarkets and neighborhood shops. The Baguio City Public Market, however, continues as the mainstay for fresh produce provisioning as the following case studies demonstrate.

### *Vegetable commodity chains and informality in practice*

Patricia Bandy's highland vegetable business, for example, is similar to that of other vegetable marketers<sup>3</sup>. Patricia sells what she calls, «vegetable sets», namely, vegetables commonly used together in customary dishes. This sales tactic enables consumers to purchase, in one place, the ingredients they need for specific recipes. After purchasing her vegetables each morning from her *sukis* (favorite) wholesalers in the market's Hanger Wholesale Vegetable Section, Patricia gives her receipts to her porter who then collects and delivers her goods to her store. Trust anchors the relationships among porters, retailers, and wholesalers. Patricia pays for her vegetables in cash but by making periodic installments during the day. When business is slow, Patricia carries over her interest-free credit to wholesalers to the following day. When Patricia has to reorder vegetables but is unable to shop personally she explains, «I trust my *suki* will pick good quality produce for me and my porter will promptly deliver it; we understand each other's situations».

As public market stalls are small (1.5 x 1.5 meters), marketers looking to expand their businesses employ innovative tactics that further activate the elasticity of any formal/informal and legal/illegal spheres. Patricia, for example, extends her store premises into the public market aisle by placing baskets of produce in front of her stall while her neighbor has constructed overhead shelving expanding into the airspace above her store. Although these actions contravene the Market Code guidelines (City of Baguio 2000-2001), Patricia and her neighbors have negotiated with the market superintendent to pay extra rent to formalize their informal and extralegal initiatives (see also Milgram 2013: 85-88).

Further down the row from Patricia's store, Susan Talango sells lowland vegetables such as eggplant, fresh greens, and banana hearts. To order her produce, Susan sends a text to her *viahera* – wholesaler – the night before the 5 a.m. morning delivery. When the produce arrives, Susan checks her order or has her porter collect and deliver her purchases. Susan explains that, «My porter knows the *viaheras* with whom I conduct business. He does not need receipts; he simply visits each *viahera* to ask, “What has Susan purchased today?” Our negotiations are based on mutual respect».

Like Patricia, Susan realizes that a successful business entails developing good social relationships. Thus, when Susan sources a new vegetable from a farmer, she often distributes samples to her customers explaining, «I want shoppers to enjoy themselves at my store and hopefully make additional

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3. All names of people are pseudonyms.

purchases». While Susan's gesture offers good formal service, it informally creates a personalized tie recalling Pine and Gilmore's (1998) concept of the "experience economy". As these authors (1998: 98) note, «commodities are fungible [...] services intangible, but experiences *memorable*» (emphasis in the original). By wrapping her commodity transaction in a singular experience, Susan fosters participatory interactions that distinguish face-to-face public market shopping from often-disengaged supermarket encounters.

To diversify their enterprises, in effect working as both retailer and wholesaler, Baguio's upland and lowland vegetable marketers often consign produce (two to five kilos) to unauthorized itinerant vendors selling in the market aisles and in the surrounding streets. By leveraging such gray business spaces, retailers realize "informality" as situations in which «the goods and services transacted are legal, but the ways in which they are transacted are not» (Smart, Smart 2017: 2). Cognizant that such varied vending practices create the market vibrancy, albeit the messiness, that attracts many residents and tourists, authorities compromise their modernist agenda by collecting rent from such informal and extralegal sellers – at least until the UNIWIDE case is settled. In a provocative initiative, moreover, Baguio's largest supermarket currently mounts weekend kiosk displays of local specialty products in the store foyer and aisles in its effort to reproduce the liveliness of the public market down the street.

### *Conclusion*

«The Indian city» argues Ananda Roy (2009: 81), «is made possible through the idiom of planning whose key is informality». As Baguio's public market trade similarly demonstrates both officials and retailers operationalize the elasticity of informality as an urban organizing logic to achieve their respective ends – rental income for the city and viable livelihoods for marketers. Any «splintering of urbanism» then, «does not take place at the fissure between formality and informality» but «in fractal fashion *within* the informalised production of space» (Roy 2009: 82; emphasis in the original).

Baguio's vegetable marketers, however, cannot assume their trade gains are secure but must continue to advocate for livelihood sustainability. As John Cross (1998: 35) argues for Mexican street vendors, government toleration of illegal practices, a sphere he terms «semi-formality», is a concession rather than a right. By not altering the laws, authorities can withdraw such semiformal concessions when these strategies no longer satisfy government interests (see also Smart, Smart 2017: 439).

The nuanced practices of Baguio marketers thus provide ways to understand cities as “multiplex spaces” – sites where “overlapping networks” of association, interaction, and fragmentation can come together to accommodate urban diversity (Robinson 2006: 172). Facilitating the already-inherent enmeshing of formal/informal and extralegal sectors thus mitigates the “economic reductionism” (Robinson 2006: 109) currently steamrolling urban life to remake contemporary ordinary cities by and more responsive to residents’ and governments’ needs.



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