University Library

A gateway to Melbourne's research publications

Minerva Access is the Institutional Repository of The University of Melbourne

Author/s:
D'Aloia, A

Title:
The value added of solidarity economies: Bureaucratic constructions of value for alternative economic policy in Ecuador

Date:
2024

Citation:
D'Aloia, A. (2024). The value added of solidarity economies: Bureaucratic constructions of value for alternative economic policy in Ecuador. Economic Anthropology, 12 (1), https://doi.org/10.1002/sea2.12318.

Persistent Link:
https://hdl.handle.net/11343/344778

License:
CC BY-NC

Check for updates

Received: 20 December 2022 | Accepted: 13 March 2024

DOI: 10.1002/sea2.12318

RESEARCH ARTICLE

Economic Anthropology SEA

The value added of solidarity economies: Bureaucratic constructions of value for alternative economic policy in Ecuador

Alexander D'Aloia

School of Social and Political Science, University of Melbourne, Melbourne, Victoria, Australia

Correspondence
Alexander D'Aloia, School of Social and Political Science, Room W401, Level 4, John Medley (Building 191), University of Melbourne, Parkville, Melbourne, VIC 3010, Australia.
Email: daloiaa@unimelb.edu.au

Funding information
Australian Government Research Training Program (RTP) Scholarship

Abstract

The National Institute of the Popular Solidarity Economy (IEPS) in Ecuador was created to promote an alternative form of economy—the Popular Solidarity Economy (PSE). As a precarious institute with limited funding, IEPS staff worked hard to find alternative ways to support the PSE. In this article, I examine their work through the lens of *valor agregado* (added value), a commonly used local term for how economic value is created. Government bureaucrats intervened primarily by creating an audience that was interested in the social aspects of the alternative economy. Because *valor agregado* ambiguously refers to both monetary and social value, it helped the PSE better integrate with the wider economy. With this approach, I offer a potential new path for analyzing government support for alternative economies. By refocusing our attention on key actors' understandings of value creation, anthropologists can sidestep questions of whether alternative economies have been "co-opted" by capitalism and instead examine the necessary interfaces between these alternatives and the mainstream.

KEYWORDS
alternative economy, bureaucracy, Ecuador, policy, small enterprise, value

INTRODUCTION

Almost 20 of us were packed into a small room in the inner north of Quito. A diverse group of academics, government functionaries, nongovernmental organization (NGO) staff, and representatives from solidarity enterprises, we had been gathered to discuss ways to improve Popular Solidarity Economy (PSE) policy. Our group was one of several at the *mesa de reflexión*. This could be loosely translated as "space for reflection," though in this context, it was a specific event with a relatively standardized format. The *mesa* had been organized by Ecuador's National Institute of the Popular Solidarity Economy (IEPS) and brought close to 80 people together to discuss challenges faced by the PSE. There was much discussion, at times getting heated as different problems and solutions were proposed. Afterward, the conclusions were drawn up by the IEPS into a document that was passed along to the Ministry for Economic and Social Inclusion and the National Contracting Service (SERCOP), in theory, to be acted upon.

The PSE belongs to a host of similarly theorized alternative economics, including the social solidarity economy, the social economy, the communitarian economy, and even, to a limited extent, the third sector. While they all are often defined slightly differently, Coraggio (2011)—a key theorist of the PSE—notes that as practices are forever changing, strict definitions will never emerge. Nevertheless, what sets the PSE apart from other alternative economies is that in 2008, it was written into the Ecuadorian Constitution by leftist president Rafael Correa. It was further cemented with the Organic Law of the Popular Solidarity Economy in 2011, which created the IEPS—the government body tasked with growing and strengthening the PSE. This legislation firmly established that the PSE was "based in relations of solidarity, cooperation and reciprocity" and "privileged labor and human beings … over appropriation, profit and the accumulation of capital" (Ley Organica de Economía Popular y

This is an open access article under the terms of the Creative Commons Attribution-NonCommercial License, which permits use, distribution and reproduction in any medium, provided the original work is properly cited and is not used for commercial purposes.
© 2024 The Authors. *Economic Anthropology* published by Wiley Periodicals LLC on behalf of American Anthropological Association.

Solidaria). The extent to which the PSE was a theoretical alternative economy opposed to capitalism, a policy platform designed to assist those excluded from the capitalist economy, or even a set of preexisting practices was consistently ambiguous. At events like the *mesa de reflexión*, this ambiguity could often be central to how the discussion operated, with speakers rapidly shifting between proposals for how to ensure PSE enterprises did not simply become small businesses and how they themselves could better integrate with the private market.

The *mesa* was the culmination of several events that brought together representatives from diverse stakeholder groups. This was a varied cast from many different backgrounds and occupations, and yet, as evidenced by repeated participation in similar events, people were provisionally cohering around a shared identity of being concerned with the promotion of the PSE.

The day followed the standard format, in which we were brought together for some brief introductions, then split into groups to talk about specific topics. I went with 17 other people to talk about *fortalecimiento y asociatividad*—"strengthening and associativity."[1] We had a round of introductions, highlighting the diversity of our group. There were representatives from educational institutions, representatives from the Ministry of Labor, and an ex-assemblyman, who was there representing a network of construction associations. The largest group, around half, were from PSE organizations, including credit, catering, and textile associations. In the context of the PSE in Ecuador, "associations" are legal entities, essentially small cooperatives. They operate similar to small businesses, except profits have to be distributed equally among members, and leadership positions (director, treasurer, etc.) must be voted upon and rotated regularly. They essentially form the backbone of the PSE as a material economy.

The work began in earnest when we were then given little pieces of paper and instructed to write what we thought the most pressing issue for the PSE was in relation to our topic. We then took turns to read them out. The issues were diverse. Some listed more abstract concerns, such as "we form [associations] to have work, not for the proper meaning of associativity," offered by a representative of a catering association. Another complained that people prioritize individualism over the collective. Others listed more practical concerns, such as the requirements made by the contracting government authority being unrealistic for associations, payments being too slow, or the need for "capacity building" (*capacitación*).

As each person read off their little piece of paper, they added their own commentary to it, explaining what they had to say. An IEPS staff member then took each piece of paper and stuck it to the window at the front of the room. Once everyone had presented their problem, as a group, we had to select the three most important. Then we had to come up with three causes for each problem, three consequences of the main problems, and three alternative solutions. This barely fit into the allotted time.

Speaking to participants afterward, they all seemed very satisfied with the event, though whether there were any policy changes as a result of the *mesa* was impossible to say. The research for this article comes from a year of fieldwork conducted in 2018, during which the IEPS experienced astonishing levels of turnover in personnel. In that year alone, there were two directors general and three acting in the role. These changes in leadership created cascading changes in personnel all through the organization. At the time of the event in 2018, the vice president of Ecuador, Alexandra Vicuña, was also in charge of PSE policy. Within weeks, she had resigned in the face of corruption allegations, triggering yet another round of staff turnover. Even so, the repeated use of similarly formatted events and the willingness and, at times, even eagerness of people to attend showed that both organizers and participants found value in *mesas de reflexión*. They thought the events somehow added value to the PSE as an economy or framework, or possibly both.

In this article, I examine the value of the *mesa* through the lens of *valor agregado*, or "added value." I heard the term constantly throughout my time in Ecuador. My interlocutors often described it in a way that matched with classical economic descriptions of the increase in monetary value added to a product through work done to it. At other times, people used it in a similar way to *value-added proposition*—a marketing term used to refer to the reasons a consumer would choose one product or service over another. Occasionally, it even referred to the social solidarity embodied within a good or service. I first explore the concept of *valor agregado* and how, for diverse groups involved with the PSE, it was used to bridge the perceived gap between social and economic values. I then take a closer look at how value is conceived within the framework of *valor agregado*. In particular, I focus on how value is added by reassessing the qualities of PSE goods and services at each stage in the commercial process, from production to consumption. Finally, I return to the *mesa de reflexión* described here to show how the IEPS added value to the PSE by acting on the audience for whom values like "solidarity" and "reciprocity" were performed.

In examining the *valor agregado* of *mesas de reflexión*, I offer a potential new path for the analysis of government support for alternative economies. Rather than focusing on the extent to which such economies are or are not co-opted by mainstream economic forces, a focus on how mid-ranked bureaucrats understand value allows us to sidestep questions of how "genuine" their pursuit of alternative economic forms is. This frees us up to instead attempt to understand how they see these economic forms working, especially at the necessary interface between nascent alternative economies and broader and more dominant mainstream ones.

23304847, 0, Downloaded from https://anthrosource.onlinelibrary.wiley.com/doi/10.1002/sea2.12318 by National Health And Medical Research Council, Wiley Online Library on [22/04/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

THE ADDED VALUE OF COMMUNITY

Valor agregado, a common term used by nearly all my interlocutors, was fundamental to the IEPS and how it conceived its role. Not only was adding value considered key to success but it was how staff generally understood their jobs—to add value to the PSE. This was reflected in the names of the different divisions within the institute. Officially, they were called "directorates" (*direcciones*), with the full titles being along the lines of Dirección de Estudio e Investigación de la EPS (Directorate of PSE Studies and Research). However, in conversation, during presentations, and even in some promotional material, the different directorates were referred to as "value adders" (*agregadoras de valor*). For instance, at two of my first meetings with IEPS staff, the organizational structure of the IEPS was described as consisting of four principal *agregadoras de valor—fortalecimiento de actores* (strengthening actors), *fomento productivo* (productive development), *intercambio y mercados* (exchange and markets), and *estudios e investigación* (studies and research).

The role of each directorate was conceived in terms of what value it could add to the productive process of the PSE, generally in terms of how it contributed to the success of PSE actors in the market. Some of the directorates had roles that were not directly related to marketable processes, for instance, one piece of promotional material listed one of the services offered by Fortalecimiento as training individuals in the "norms, values and principles of the PSE." However, under the same heading was the need to train people in the "parliamentary procedures, functions and responsibilities of management" as well as the other requirements of being a legal enterprise that sold goods and services. By the government's own figures, PSE associations derived most of their profits from government procurement contracts (IEPS, n.d.). Nevertheless, the constant political instability meant that IEPS and NGO staff pushed for PSE associations to diversify into the private market to hedge against political uncertainty. As a result, the private market was still largely the focus of *valor agregado*, even if most income came from reserved government contracts. Adding value was one of the key foundations upon which the IEPS established the need for its interventions.

Valor agregado, even when used to describe more social or esoteric aspects of production, still often referred back to the increase in monetary value. However, just because it made good business sense did not mean that *valor agregado* was divorced from PSE values. As Maurer (2006) has highlighted, many anthropologists and sociologists dating back to at least Simmel ([1900] 2004) have often assumed that in the meeting of money and social values, the former nearly always wins out over the latter. Maurer (2005, p. 103) describes this as the "money as acid" hypothesis, in which money's ability to "render the qualitative into the quantitative" is assumed to dissolve social bonds, flatten social values, or disembed social relations. Scholars from different disciplines, including Maurer himself, have critiqued this view, noting that money, rather than dissolving relations and meanings, tends to add complexity (see also Carruthers & Espeland, 1998; Parry & Bloch, 1989; Zelizer, 1998). In the case of the PSE, even if *valor agregado* was oriented toward profit generation, it did not simply quantify the social values; instead, it was both the outcome of those values and a strategy people in PSE enterprises pursued to help realize social values.

The link between *valor agregado* and social values was best enunciated by Franklin, who had worked in the sector for many years in different roles. His employer was Grupo Salinas, an umbrella group for a variety of organizations centered on Salinas de Guaranda and whose products were sold under the Salinerito brand. They included development-focused NGOs, a variety of nonprofit enterprises (especially famous for cheese and chocolate), and several other community organizations. Notably, and in contrast to most PSE enterprises, almost all their sales came from the private market. The entire group was dedicated to the development of Salinas and was often used as an emblematic example when people had to describe the PSE.

When I spoke to him, Franklin was working for an NGO that was part of Grupo Salinas. It provided technical advice to enterprises in the region to improve their production. The NGO was in the final stages of administering a program, Hombro a Hombro (Arm in Arm), that was designed to improve the whole economic chain for cheese making, from the production of milk through to its marketing in major cities. It was one of the earliest programs financed by the IEPS and, owing to its length, was also one of the last programs to explicitly intervene in production. Since the financial crisis of 2014, a lack of finances had undermined the IEPS's political authority and financial position. The exponential uptick in events like the *mesa de reflexión* was largely because they were cheaper to run. By 2018, there were almost no programs like Hombro a Hombro, and it itself was ending. The few programs that still intervened directly in production were funded with resources from other institutions, such as NGOs or different government departments. Owing to its lack of resources, the institute as a whole effectively played the role of broker between the public and more resourced institutions (Forbess, 2022).

During one of our conversations, I asked Franklin how he would describe the PSE to someone who had never heard the term. He said that solidarity came first—mutual support between people. Salinas had been an extremely impoverished town, and the first cheese factory had been founded by a Salesian priest to help the locals.

In some ways, these observations are similar to those of Faas (2018), who also examines economic development in Andean Ecuador—namely, that poverty and a perceived inability to create alternative lifeways outside of the market led to the adoption of more market-centric strategies for maintaining livelihoods. Residents of Salinas, as well as those living in other towns with similar experiences, reported shifts in subjectivities associated with the focus on producing for the market, rather than for local consumption.

23304847, 0, Downloaded from https://anthrosource.onlinelibrary.wiley.com/doi/10.1002/sea2.12318 by National Health And Medical Research Council, Wiley Online Library on [22/04/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

Franklin, for example, acknowledged that through its history, the work undertaken by Grupo Salinas had changed. In the past, it had been based heavily in *minga* (a traditional form of collective labor) and focused on generating some income for the township—finances to be administered by the community—or physically building local infrastructure. Now their focus was on improving both the quality and the quantity of production. Rather than simple cheeses, Grupo Salinas was producing camembert, Swiss cheese, parmesan—very unusual and expensive products by the standards of most Ecuadorians. Rather than income for the township, they were concentrating on generating employment and avoiding emigration to the cities.

"But it still serves the same purpose to me—solidarity," explained Franklin. "Because you're thinking the same thing as other people. In this case, through manufacturing, adding value to the primary materials that we have." This pivoted the discussion back toward solidarity while highlighting its links with *valor agregado*.

Franklin continued, "It's good to talk about solidarity, but if I don't have anything to give, apart from my time, we won't get very far [*no llegamos mucho*]." He said that solidarity had also come alongside another strength for Salinas—the transformation of primary materials. Quoting the priest who had begun cheese making in Salinas, he said people shouldn't be *bruto* ("thick" or "stupid")—they shouldn't sell raw materials (*vender en bruto*).[2] "*Bruto* is collecting milk and delivering it to Nestlé," he explained. "Instead of doing this, what we try to do is add value [*dar un valor agregado*]." It was this added value, he continued, that created sources of work for those in Salinas. With this work, families in Salinas would be able to help their children with their education and access health services, and the community would continue to develop.

This shift in purpose for economic activity could be analyzed in terms of a similar shift in economic aspirations as witnessed by Faas (2018). A focus on creating communal infrastructure had shifted to a greater focus on, if not individual wealth, then a more nuclear-family sense of providing for one's household through paid work. However, such an approach overlooks the meaning given to the economic action by locals themselves. While the economic logics of value-added production were central to the success of Grupo Salinas, for Franklin, what differentiated them from regular corporations was the shared perspective on the ends of their economic activity. Generating sources of work was one of the defining features of the organization's success. These jobs, however, were created with a community focus—they were more stable forms of employment to try to keep people in the community, rather than simply more income for individuals.

"Nobody owns anything," explained Franklin. The profits from the enterprises paid for wages and then were channeled back into the various arms of Grupo Salinas. In Franklin's account of the history of Grupo Salinas, the community had worked in *minga* to improve the infrastructure of the town, and in being of a similar mind-set, early earnings from enterprises could be channeled back into the town, rather than distributed as profits. This brought the entire community on board and paved the way to further success. Salinerito was the most frequently cited example of this process, but the story was repeated at the few other large-scale PSE enterprises I visited.

Franklin's discussion of the importance of *valor agregado* in allowing Salinas to develop is revealing. There was a shift in subjectivities, and in some ways, this could be seen as a result of the "limits of neoliberal imagination" (Faas, 2018). Several people, for example, both in and outside Salinas, complained that they were becoming *pelucones*—a pejorative term, similar to *nouveau riche*. However, whereas Faas looks at the response to an earthquake, no immediate crisis led to the creation of Grupo Salinas—the local community had been one of the poorest in Ecuador for a long time. The changes in the work of the organization can also be seen a pragmatic acceptance of locals' changing tastes and aspirations in a context of wider rural emigration. Franklin, for instance, did not talk about the increased business generating individual wealth. The markers of success to which he referred were not higher incomes or better access to consumer goods (such as computers, phones, or cars) or even enduring assets. Instead, the emphasis was on how the extra resources allowed them to keep the community together, even if this was implicitly due to the town providing more "urban" lifestyles. For Franklin, *valor agregado* was not simple profit motive. Avoiding emigration was a great concern in Salinas, as it was in other rural communities I visited. The enterprises of Grupo Salinas were perceived to help Salinas *be* a community in the sense of literally keeping people in the area.

REQUALIFYING SOCIAL VALUES

Notably, Franklin's description of *valor agregado* required different understandings of the value of Salinerito products at different stages in the economic process. For the many diverse stakeholders involved in the PSE, from government bureaucrats to NGO staff, to the actual economic actors themselves, value was often added to goods and services through their perceived "requalification" (Weiss, 2016) in the eyes of others. Goods were often created under intimate household conditions, the history of which was erased as they were sorted along commodity chains (Tsing, 2015). These goods were then reinscribed with the values of the PSE, which was seen to add monetary value.

Most officially recognized producers in the PSE were small, generally associations of a few more than 10 people. Even in the case of Grupo Salinas, one of the largest PSE organizations, products were made at more than 30 different cheese "factories" (*queseras*), each based in a small community. Some of the plants were tiny, consisting of two rooms and accepting a little more than 200 liters of milk daily. Some people from the community would deliver as few as 10 liters, which itself could be

23304847, 0, Downloaded from https://anthrosource.onlinelibrary.wiley.com/doi/10.1002/sea2.12318 by National Health And Medical Research Council, Wiley Online Library on [22/04/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

collected from multiple family members. All this history was erased once the cheeses were collected by truck and stamped with the Salinerito logo.

Hombro a Hombro, however, involved reinscribing a consumer-friendly version of this history back into the cheeses. Aside from improvements to production facilities, the program also involved renovating Salinerito brand stores and marketing campaigns. Both projects emphasized the origins of products and their connection to local development. Billboards emphasizing that Salinerito products were made in Ecuador were placed in prominent locations around Quito. New store interiors had trendy, modern designs. This included massive decals showing how the organization was contributing to the development of local communities around Salinas.

The IEPS and Grupo Salinas, through their joint program, were adding value by describing a variety of nonsensory qualities of Salinerito products—including their origin and the development of the communities where they were made. Each cheese, however, was not linked to the community from which it came. Instead, the in-store decals simply listed the communities, noting the name of the town, its climate, how many families lived there, and what they produced (e.g., "cheese, nougat, handicrafts"). After being sorted into near anonymity between the different plants, the promotional material in the Salinerito store attempted to reinscribe the cheeses with a sense of supporting communities, as described by Franklin. Rather than being linked to specific communities, however, the cheeses were linked to the concept of community development in general. If the erasure and reinscription of qualities and histories were essential to the cheeses' value (Tsing, 2015), then the histories that were reinscribed were a generic, almost commodified form of "community development," readily understood by customers in stores and interchangeable with other stories of different communities. By buying cheese at Salinerito stores, customers were supporting small communities in general, not necessarily *this* small community.

Here I borrow from Weiss (2016) in his work on heritage breed pigs and how value is created for artisanal pork products. Building on the work of Graeber (2001) and Munn (1992), Weiss, too, emphasizes the importance of the audience for whom particular actions are performed. Weiss, however, extends their work, emphasizing that although consumers' perceptions of value may be important to producers, they do not have to be directly shared. In fact, the producer's sense of value is often predicated on what they assume or predict consumers will value. A quality cheese was valued by a consumer for being both delicious and a symbol of solidarity. It was valued by a resident of Salinas for its ability to stop their family from emigrating. That second value, however, was predicated on the first—if it were not delicious and a symbol of solidarity to the consumer, it would not be a way to stop emigration for the producer. In this scheme, different understandings of value, including personal, social, and economic, are all mobilized to generate profit for enterprises with the extended hope of achieving societal goals beyond the market (Arciniega, 2021).

This entire process, however, rests on a co-creation of value between brands and consumers that is fundamentally precarious (Foster, 2007). Concepts like the "local" in "local food" work to stabilize tastes (Weiss, 2016); however, sudden changes on the part of consumers can still quickly erase any value that has accrued. From this perspective, the IEPS was not only adding value to the PSE but helping to shore it up through *mesas de reflexión* and other events in which they made the social values of the PSE visible. They were attempting to create an audience to whom it mattered. The PSE might have been valued for different reasons by different people, but that was essential to the formation of the alternative economy. It also created the space for the IEPS to operate through the work of creating an audience.

CREATING AN AUDIENCE

To understand how events like the *mesa de reflexión* worked to build or reaffirm an audience for the purposes of adding value, they cannot be viewed as isolated events. The IEPS and other organizations were constantly organizing talks, panels, workshops, conferences, and so on. There were familiar faces at many of these events—government functionaries, academics, NGO staff, politicians, and even some PSE actors themselves. Not all events had the same cast of actors. Round tables organized by universities tended to have more academics and NGO staff, with the occasional functionary. The only representatives from PSE enterprises tended to be those invited to present, rather than audience members. Though, often the same people were invited from the same organizations to represent PSE producers. On the other hand, *mesas de reflexión* organized by the IEPS tended to feature PSE actors themselves.

The topics of discussion for the *mesa* were theoretically dictated by those present, though, in practice, IEPS staff played a strong role in shaping discussion. The *mesas* often had similar formats. The big-group introduction was always followed by small-group discussion. The latter almost always took the form of the three-three-three-three brainstorming of problems, effects, causes, and solutions. There was a big debrief at the end, where a representative from each group reported on what had been discussed. Finally, notes were taken by IEPS staff throughout and compiled into a report. This whole process represented a form of "sorting" (Tsing, 2015) or "requalification" (Weiss, 2016) that added value to the PSE.

The added value of the *mesa* started before it had even begun. The event was unofficially integrated with other workshops run by the IEPS, as the participants who were most engaged at previous events were often those who came along to subsequent *mesas*. The one described here, for example, was the culmination of a series of *mesas* where the reflections from

23304847, 0, Downloaded from https://anthrosource.onlinelibrary.wiley.com/doi/10.1002/sea2.12318 by National Health And Medical Research Council, Wiley Online Library on [22/04/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

previous ones, as well as the most engaged participants, were passed along to the next. This process effectively acted as a filter, as the least engaged at each event tended not to go to the next, until, at the final *mesa de reflexción* of the year, close to 80 quite enthusiastic people (more than half of whom were from PSE associations) were gathered together to talk about the PSE.

This sorting of attendees did not decontextualize them in the same way as the cheeses of Grupo Salinas. Whereas commodification of the cheeses required the erasure of their histories and prior contexts, *mesa* attendees were there precisely because of their unique histories and contexts. PSE producers might have been the majority, but IEPS staff really did work hard to invite a variety of stakeholders, including producers, consumers, academics, and government officials. Even so, the overall process of the *mesa* served to decontextualize and standardize the information the attendees provided to better serve the IEPS and, by extension, PSE producers. In many ways, the event took the statements of attendees and rendered them briefly into commodities, only later to be used by the IEPS.

The format of the event had a slightly ritualistic feel. In particular, the little pieces of paper stuck to the window at the front of the room strongly resembled the use of Post-it notes observed by Wilf (2016) at innovation workshops for entrepreneurs.[3] He describes these brainstorming sessions as developing "ritual insights." Divorced from their context, the final expressions written on Post-it notes had an ambiguity that let those present read into them what they wanted. At the same time, through their arrangement into patterns, they were given weight for consideration. These patterns became "conventional visual templates of what a valid insight should look like" (Wilf, 2016, p. 744). In the case of IEPS *mesas*, the recurring patterns of threes—three problems and then, for each problem, three causes, three consequences, and three proposals—lent a certain weight to the findings of the session. The format of the presentation helped make everything feel purposeful and significant, while obscuring the original intentions of the note writers.

While these "ritual insights" were being created, an important shift in language was taking place as the wide-ranging discussion was converted into bullet points (Lea, 2008). Diverse stories of the troubles faced by various PSE associations and others transformed into the neat, specific language needed by bureaucratic institutions and policy writers. For instance, a common concern shared by many PSE actors was that government departments were requiring more qualifications from contractors, even if they had been successful with many previous contracts. When written up, these complaints were parceled out between two separate bullet points—regulations of contracting entities not taking into account the realities of PSE associations and a lack of *capacitiación* (capacity/capacity building) for the PSE sector. These were both issues in which the IEPS could potentially intervene. As an entity that both organized many workshops and engaged in advocacy on behalf of PSE actors, the framing of these problems fit well within the remit of the IEPS.

Alternatively, for issues the IEPS might struggle to deal with, a "problem" could be written up as a "consequence." In this way, the ability to bracket the scope of discussion effectively pushed certain issues into the background (Harvey, 2017; see also Harvey & Knox, 2015). For instance, a few times, the poor quality of many PSE goods was mentioned, often by PSE producers themselves. Both IEPS facilitators were quick to point out that this was a consequence of the lack of *capacitación*, rather than a cause or a problem in and of itself. By placing quality on the consequences list, discussion was shifted away from related issues, such as poor sales and the inability to compete with private industry, where the IEPS had substantially less sway. It also presumed that the cause was a lack of knowledge and precluded talks about structural issues leading to low-quality goods, such as a lack of technology or investment, or discussions of limited demand for value-added products in a country of extreme inequality.

These limits were not uncontested, however. Delayed payments from SERCOP were a common complaint at the *mesa* and many other events I attended. In this instance, when the issue was raised by a participant, the facilitators attempted to bracket off the topic. One of the facilitators began to say that it was not related to associativity; however, the speaker plowed on: "It [the financial difficulties from late payments] creates instability in the organization. It's a source of disquiet [*es un malestar*]."

There was a pause as both facilitators considered this. It appeared to be an aspect of delayed payments that neither had considered. They nodded their assent, and the piece of paper went up on the front window, unmodified.

The words on the pieces of paper still had to be translated into actionable bureaucratese, however. At this event, the literal language used by participants was rarely an issue. Most had interacted with the IEPS and other government departments sufficiently to use the terminology of the PSE. Instead, the focus was on sorting the comments of participants into the right categories—descriptions of problems, their consequences and causes, and suggested solutions that could be acted upon by different government departments, including the IEPS.

This act of translation highlighted the power imbalance between groups. As noted by anthropologists working with the concept of translation, it is a power-laden endeavor—what can and cannot be made commensurable between two languages and whose language gets more or less distorted in the forging of commensurability are reflections of power relations, both of the speakers and of the wider cultures to which they belong (Asad, 1986; Gal, 2015; Pigg, 2001; Povinelli, 2001). In the case of PSE procurement processes—the unofficial focus of the entire *mesa*—it was the departments who controlled funds that were clearly in positions of authority. Despite attempts like those mentioned earlier to reframe problems in line with the concerns of PSE associations, it was primarily in the terms of other government departments, such as SERCOP and the Ministry of Education, that problems had to be expressed. Hence, by the end of the process, the concern around delayed payment

23304847, 0, Downloaded from https://anthrosource.onlinelibrary.wiley.com/doi/10.1002/sea2.12318 by National Health And Medical Research Council, Wiley Online Library on [22/04/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

undermining group solidarity had been transformed and merged with other problems into the categories of "regulations are created without the participation of PSE actors" and "a lack of interinstitutional coordination."

The ritual insights that served as the outcome of the *mesa* were produced through a process in which the many comments of participants were stripped of their context and then sorted into new categories determined by the IEPS. In this way, the very affective labor of interfacing between many different groups worked toward an outcome that sits closer to Graeber's (2015) understanding of bureaucracy and "interpretive labor." Like Tsing's (2015) "sorting," the concerns of those involved in PSE processes (primarily producers, but others were also considered) had to be decontextualized and rendered into categories that suited the needs of the IEPS and other government institutions—categories that were legible to other government departments and actionable by the IEPS. It was up to the public to interpret themselves in a way government bureaucracies understood, rather than the reverse. This was not, however, a straight imposition by the IEPS.

Participants attended the *mesa* hoping for their concerns to be relayed to the appropriate policymakers. In a country with variable government capacity, often citizens wanted to be "seen by the state" to gain access to benefits (Street, 2012). Speaking to participants well after the event, they seemed genuinely satisfied by discussion at the workshop. One respondent in particular, who was a part of a PSE association providing catering for preschools, said she thought that although there had not been the progress in PSE policy for which she had hoped over recent years, this time she felt like they had really achieved something different. She felt that there had been good discussion and that they (meaning all participants) were putting strong proposals to the government. She really hoped that some changes might come of it. For at least a brief time, the work of IEPS staff had created both a sense of achievement and a feeling of belonging to a wider constituency.

The sense of being a part of a wider network was evident at the conclusion of the event. A representative from each group went through the lists we had created. Our group went first. The woman who read the list did so confidently and explained everything clearly. In comparison to subsequent presenters, however, she was relatively reserved. The representatives from other groups spoke like they were attending political rallies. The second one came out swinging, immediately labeling SERCOP "enemy number one of the PSE." He noted that SERCOP could fine suppliers if they failed to meet contract terms, but there were no equivalent fines for the contracting entity if it also failed. The audience was drawn in, with the woman next to me saying, "That's how it is [*así es*]!" not quite under her breath. Subsequent presentations did not sound quite as much like political rallies, but they were still spoken passionately by people who clearly knew how to draw in an audience. Yawns around the room showed that people were getting tired after a long day, but the vast majority were still paying attention. There was a buzz in the room.

Whether or not the final report achieved any change was ambiguous—the vice president's resignation and the subsequent political reshuffle meant that it was unclear if the report ever reached her or any significant policy actors. The practical policy outcomes were undermined by the wider political instability. Beyond the specific knowledge generated and communicated to the wider government, the sense of achievement was also a powerfully uniting factor in and of itself.

The IEPS was not just acting instrumentally by inserting itself between groups, however. A common theme throughout the anthropological literature on brokerage, particularly more recent works, is how brokers work to construct the very constituencies between which they mediate (Lindquist, 2015a, 2015b; Molland, 2012; Mosse & Lewis, 2006; Peterson, 2010; Webb, 2012). However, extremely transactional accounts of brokerage often miss how brokers are themselves culturally embedded in their own social worlds (Koster & van Leynseele, 2018). In development or activist spheres in particular, the constituencies brokers create are not purely utilitarian groupings but often reflect the ethics of the brokers themselves. As Webb (2012) observed, brokers often expend great effort to develop "ethical scenes"—constituencies of people with similar ethical schema (see also Cohen, 2010). These networks were never finished and were instead constantly being assembled by the IEPS (Koster & van Leynseele, 2018). Nevertheless, it was in this constant work of articulating between different constituencies that the IEPS found the value it could add to the PSE, both as an institution and as individual staff members. If, following Graeber (2001) and Munn (1992), the creation of value requires an interested audience, either real or imagined, then a large part of the value the IEPS added to the PSE was the creation of that audience to whom the PSE was relevant. In a space taking clear inspiration from other entrepreneurial forms, while also being explicitly focused on social values, value creation was as much about forming and shaping relationships as it was about business strategy (Ghosh, 2020).

CONCLUSION

Utilizing ambiguous concepts is a common strategy for policy actors seeking to unite and mobilize diverse stakeholders (Mosse, 2005; Tate, 2015). The actions of the IEPS to create a constituency around the PSE, however, were about more than aligning policy goals. While the PSE was certainly an ambiguous policy framework, because of its framing as a type of economy, PSE proponents must still engage with concepts of value on some level. Ultimately, whether by selling value-added products on the private market or through successfully winning tenders to supply government, there is the assumption that the PSE is about sustaining livelihoods through economic activity. Without the resources to directly intervene in the

23304847, 0, Downloaded from https://anthrosource.onlinelibrary.wiley.com/doi/10.1002/sea2.12318 by National Health And Medical Research Council, Wiley Online Library on [22/04/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

production process, underfunded government departments whose goals are to promote alternative economies therefore must find different ways to add value through their work.

A key strategy explored here is the intervention into the audience for whom economic actions are performed. Mid-ranked bureaucrats aimed to shape perceptions of value throughout the production process. Notably, this was not by necessarily perfectly aligning all perspectives. Aside from offering insights into how governments can work to create value in alternative economies, this also helps us to understand how brokers can create value, especially at the institutional level. In helping create the constituencies between which they mediate, institutional brokers like the IEPS effectively also play a role in value creation. In the case of the PSE in Ecuador, they did so through the concept of *valor agregado*.

Examining the promotion of alternative economies in this way, especially by government but also potentially by other actors, such as NGOs, allows us as anthropologists to take a half step back from constant critique. As noted by longtime theorists of alternative economics Gibson-Graham (2008), there is a strong tendency for academics studying alternative economies to take a cynical, skeptical stance. These "experimental forays into building new economics are likely to be dismissed as capitalism in another guise or as always already co-opted" (p. 618). By paying attention to how key intermediaries between different forms of economy understand value creation, we can examine the spread of seemingly neoliberal economic logics, such as "added value," without having to consider it as the inevitable advance of neoliberalism.

Finally, avoiding the need to determine whether our interlocutors have been co-opted sidesteps the felt need to offer disclaimers about how our interlocutors are "well meaning" and acting "in good faith" (e.g., Faas, 2018, p. 42). If we can show how such economic logics served our interlocutors well, especially under difficult circumstances, then their good intentions can be shown, rather than stated. Like many observing the promotion of alternative economies, I have rarely, if ever, interacted with anyone I perceived as acting in "bad faith," even if I perhaps personally disagreed with either their means or their ends (e.g., Faas, 2017; Gibson-Graham, 2006, 2008; Maurer, 2005; Nelms, 2015). Instead, as analysts, we can start from an understanding that few, if any, economies can ever be truly independent of one another. By examining how key mediators interface between different economic systems, we can then track how logics are translated between them, changing both themselves and the systems between which they are shifting in the process. If we, as analysts and theorists of alternative economies, want to see different things valued by economic systems,[4] then we must understand how different economic values are created and reinforced.

ACKNOWLEDGEMENTS

Open access publishing facilitated by The University of Melbourne, as part of the Wiley - The University of Melbourne agreement via the Council of Australian University Librarians.

FUNDING INFORMATION

This research is supported by an Australian Government Research Training Program (RTP) Scholarship.

ORCID

Alexander D'Aloia https://orcid.org/0000-0003-4072-8154

ENDNOTES

[1] For PSE proponents, *associativity* referred broadly to the qualities (either personal or of a group) that allowed people to form and maintain PSE associations.

[2] In Spanish, this is a play on words using two meanings of the word *bruto* ("stupid" and "crude/raw"): "No sean brutos, no vendan en bruto" (Don't be thick, don't sell crude/raw).

[3] The similarities between the format of the *mesa* and the innovation workshops observed by Wilf were not a coincidence. With its emphasis on small business and value-added production, several PSE programs run by the IEPS and other organizations took explicit inspiration from Silicon Valley, often using business models styled for tech start-ups as templates for helping establish PSE enterprises.

[4] Here used in the more substantivist sense of "livelihoods," whether inside or outside of the market.

REFERENCES

Arciniega, Luzilda C. 2021. "Creating Diversity Markets through Economization: The Politics and Economics of Difference in Neoliberal Organizations." *Economic Anthropology* 8(2): 350–364. https://doi.org/10.1002/sea2.12206.

Asad, Talal. 1986. "The Concept of Cultural Translation in British Social Anthropology." In *Writing Culture*, edited by James Clifford and George E. Marcus, 141–164. Berkeley: University of California Press.

Carruthers, Bruce G., and Wendy Nelson Espeland. 1998. "Money, Meaning, and Morality: PROD." *American Behavioral Scientist* 41(10): 1384–1408. https://doi.org/10.1177/0002764298041010003.

Cohen, Lawrence. 2010. "Ethical Publicity: On Transplant Victims, Wounded Communities, and the Moral Demands of Dreaming." In *Ethical Life in South Asia*, edited by Anand Pandian and Daud Ali, 253–274. Bloomington: Indiana University Press.

Coraggio, José Luis. 2011. *Economia social y solidaria: El trabajo antes que el capital*. Quito: Abya-Yala.

23304847, 0, Downloaded from https://anthrosource.onlinelibrary.wiley.com/doi/10.1002/sea2.12318 by National Health And Medical Research Council, Wiley Online Library on [22/04/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License

Faas, A. J. 2017. “Reciprocity and Vernacular Statecraft: Andean Cooperation in Postdisaster Highland Ecuador.” *Journal of Latin American and Caribbean Anthropology* 22(3): 495–513. https://doi.org/10.1111/jlca.12272.

Faas, A. J. 2018. “Petit Capitalisms in Disaster, or the Limits of Neoliberal Imagination: Displacement, Recovery, and Opportunism in Highland Ecuador.” *Economic Anthropology* 5(1): 32–44. https://doi.org/10.1002/sea2.12100.

Forbess, Alice. 2022. “Redistribution Dilemmas and Ethical Commitments: Advisers in Austerity Britain's Local Welfare State.” *Ethnos* 87(1): 42–58. https://doi.org/10.1080/00141844.2019.1687552.

Foster, Robert J. 2007. “The Work of the New Economy: Consumers, Brands and Value-Creation.” *Cultural Anthropology* 22(4): 707–731. https://doi.org/10.1525/can.2007.22.4.707.

Gal, Susan. 2015. “Politics of Translation.” *Annual Review of Anthropology* 44(1): 225–240. https://doi.org/10.1146/annurev-anthro-102214-013806.

Ghosh, Ipshita. 2020. “Investment, Value, and the Making of Entrepreneurship in India.” *Economic Anthropology* 7(2): 190–202. https://doi.org/10.1002/sea2.12179.

Gibson-Graham, J. K. 2006. *A Postcapitalist Politics*. Minneapolis: University of Minnesota Press.

Gibson-Graham, J. K. 2008. “Diverse Economies: Performative Practices for ‘Other Worlds.” *Progress in Human Geography* 32(5): 613–632. https://doi.org/10.1177/0309132508090821.

Graeber, David. 2001. *Toward an Anthropological Theory of Value: The False Coin of our Own Dreams*. New York: Palgrave.

Graeber, David. 2015. *Utopia of Rules: On Technology, Stupidity, and the Secret Joys of Bureaucracy*. Brooklyn, NY: Melville House.

Harvey, Penelope. 2017. “Waste Futures: Infrastructures and Political Experimentation in Southern Peru.” *Ethnos* 82(4): 672–689. https://doi.org/10.1080/00141844.2015.1108351.

Harvey, Penny, and Hannah Knox. 2015. *Roads: An Anthropology of Infrastrcture and Expertise*. Ithaca, NY: Cornell University Press.

IEPS. n.d. *Encuesta Nacional a las organizaciones de la EPS, 2018*. Quito: IEPS. https://repositorio.ieps.gob.ec/index.php/indicadores-rueps/16-informacion-general-rueps.

Koster, Martijn, and Yves van Leynseele. 2018. “Brokers as Assemblers: Studying Development through the Lens of Brokerage.” *Ethnos* 83(5): 803–813. https://doi.org/10.1080/00141844.2017.1362451.

Lea, Tess. 2008. *Bureaucrats and Bleeding Hearts: Indigenous Health in Northern Australia*. Sydney: University of New South Wales Press.

Lindquist, Johan. 2015a. *Anthropology of Brokers and Brokerage*, 2nd ed., Vol 2. New York: Elsevier.

Lindquist, Johan. 2015b. “Of Figures and Types: Brokering Knowledge and Migration in Indonesia and beyond.” *Journal of the Royal Anthropological Institute* 21(S1): 162–177. https://doi.org/10.1111/1467-9655.12172.

Maurer, Bill. 2005. *Mutual Life, Limited: Islamic Banking, Alternative Currencies, Lateral Reason*. Princeton, NJ: Princeton University Press.

Maurer, Bill. 2006. “The Anthropology of Money.” *Annual Review of Anthropology* 35(1): 15–36. https://doi.org/10.1146/annurev.anthro.35.081705.123127.

Molland, Sverre. 2012. “Safe Migration, Dilettante Brokers and the Appropriation of Legality: Lao-Thai ‘Trafficking’ in the Context of Regulating Labour Migration.” *Pacific Affairs* 85(1): 117–136. https://doi.org/10.5509/2012851117.

Mosse, David. 2005. *Cultivating Development: An Ethnography of Aid Policy and Practice*. London: Pluto Press.

Mosse, David, and David Lewis. 2006. “Theoretical Approaches to Brokerage and Translation in Development.” In *Development Brokers and Translators: The Ethnography of Aid and Agencies*, edited by David Lewis and David Mosse, 1–26. Boulder, CO: Kumarian Press.

Munn, Nancy D. 1992. *The Fame of Gawa: A Symbolic Study of Value Transformation in a Massim (Papua New Guinea) Society*. Durham, NC: Duke University Press.

Nelms, Taylor C. 2015. “‘The Problem of Delimitation’: Parataxis, Bureaucracy, and Ecuador's Popular and Solidarity Economy.” *Journal of the Royal Anthropological Institute* 21(1): 106–126. https://doi.org/10.1111/1467-9655.12149.

Parry, Jonathan, and Maurice Bloch. 1989. “Introduction: Money and the Morality of Exchange.” In *Money and the Morality of Exchange*, edited by Jonathan Parry and Maurice Bloch, 1–32. Cambridge: Cambridge University Press.

Peterson, Mark Allen. 2010. “Agents of Hybridity: Class, Culture Brokers, and the Entrepreneurial Imagination in Cairo.” In *Economic Action in Theory and Practice: Anthropological Investigations*, edited by Donald C. Wood, 225–256. Bingley, UK: Emerald.

Pigg, Stacy Leigh. 2001. “Languages of Sex and AIDS in Nepal: Notes on the Social Production of Commensurability.” *Cultural Anthropology* 16(4): 481–541. https://doi.org/10.1525/can.2001.16.4.481.

Povinelli, Elizabeth A. 2001. “Radical Worlds: The Anthropology of Incommensurability and Inconceivability.” *Annual Review of Anthropology* 30: 319–334. https://doi.org/10.1146/annurev.anthro.30.1.319.

Simmel, Georg (1900). 2004. In *The Philosophy of Money*, 3rd enlarged ed. Translated by Tom Battomore and David Frisby, edited by David Frisby. London: Taylor and Francis.

Street, Alice. 2012. “Seen by the State: Bureaucracy, Visibility and Governmentality in a Papua New Guinean Hospital.” *Australian Journal of Anthropology* 23(1): 1–21. https://doi.org/10.1111/j.1757-6547.2012.00164.x.

Tate, Winifred. 2015. *Drugs, Thugs, and Diplomats*. Redwood City, CA: Stanford University Press.

Tsing, Anna Lowenhaupt. 2015. *The Mushroom at the End of the World: On the Possibility of Life in Capitalist Ruins*. Princeton, NJ: Princeton University Press.

Webb, Martin. 2012. “Activating Citizens, Remaking Brokerage: Transparency Activism, Ethical Scenes, and the Urban Poor in Delhi.” *PoLAR: Political and Legal Anthropology Review* 35(2): 206–222. https://doi.org/10.1111/j.1555-2934.2012.01199.x.

Weiss, Brad. 2016. *Real Pigs: Shifting Values in the Field of Local Pork*. Durham, NC: Duke University Press.

Wilf, Eitan. 2016. “The Post-it Note Economy: Understanding Post-Fordist Business Innovation through One of its Key Semiotic Technologies.” *Current Anthropology* 57(6): 732–760. https://doi.org/10.1086/688952.

Zelizer, Viviana A. 1998. “Introduction: How People Talk about Money.” *American Behavioral Scientist* 41(10): 1373–83. https://doi.org/10.1177/0002764298041010002.

How to cite this article: D'Aloia, Alexander. 2024. “The Value Added of Solidarity Economies: Bureaucratic Constructions of Value for Alternative Economic Policy in Ecuador.” *Economic Anthropology* 1–9. https://doi.org/10.1002/sea2.12318

23304847, 0, Downloaded from https://anthrosource.onlinelibrary.wiley.com/doi/10.1002/sea2.12318 by National Health And Medical Research Council, Wiley Online Library on [22/04/2024]. See the Terms and Conditions (https://onlinelibrary.wiley.com/terms-and-conditions) on Wiley Online Library for rules of use; OA articles are governed by the applicable Creative Commons License