

## **EXPANDED ABSTRACT**

# **From a Popular Economy to a Popular and Solidarity Economy in Quito: A Case of Indigenous Urban Immigrants in the San Roque Neighborhood**

### **Objective**

The purpose of this paper is to analyze the process of transition from a popular economy to a solidarity economy in the City of Quito, Ecuador. This process was fostered by indigenous urban immigrants, specifically those living in the city's San Roque Neighborhood.

### **Participants and context**

During the second half of the twentieth century, Latin American countries saw a wave of internal migration, which was characterized by the arrival of rural, peasant indigenous to large cities. Ecuador was no exception. Its two largest cities, Quito and Guayaquil, were the most popular points of arrival. In Quito, new residents met up in specific neighborhoods, particularly those located in the southern part of the city and in the Historic Old Town, where the both cost of land and rent were much lower. This population includes a very particular group: the indigenous, who quickly began to reproduce their traditional economic, cultural, political, and social practices in symbiosis with the urban way of life, becoming known as urbanite indigenous. This phenomenon was found throughout Latin America.

Quito received settlers from the provinces of Chimborazo, Cotopaxi, Tungurahua, and Imbabura, and one of the neighborhoods where they arrived was San Roque. Here, they carried out popular economic activities that helped them to obtain the resources they needed to survive in a new context. For example, they worked as bricklayers, baggers and loaders in marketplaces, restaurants, grocery stores, tailors, etc. They went on to create cooperatives, cash pools or community savings banks, and associations that helped them to guarantee the dignified living conditions they needed to ensure more than merely their survival, both for those who were already living in the city, as well as for newcomers from rural areas.

### **Methodology**

This all led to the proposal of a methodological framework to better understand and interpret this transition from a popular economy to the popular and solidarity economy that we see today. We begin based on the premise that in order to research economic experiences that are a far cry from what the prevailing capitalist, business-centered economic system has established, we must first look at method-

ologies are rarely used in economic issues. Then we can continue on to better understand the players involved, their subjectivities and intersubjectivities. Having established this framework, we undertook a qualitative methodological strategy, specifically, ethnography and case studies.

The ethnography side involved four steps: 1) Observation and open participation in the daily life of the urbanite indigenous living in the San Roque Neighborhood in 2016 and during the first quarter of 2017. 2) Visits to several small businesses helped us to gain a better understanding of the neighborhood's social and economic organizations. In this step of the process, we had the support of researchers from the City Institute of the Municipality of Quito, who put us in contact with the San Roque neighborhood leaders. 3) Holding in-depth interviews and working with focus groups. We verbally requested permission to record interviews and take photographs. 4) Understanding and theoretical interpretation of the cases through the substantivist approach of the economy and the theoretical reflections of the popular economy and popular and solidarity economy. We also used an operative concept of indigenous urban immigrants.

We chose three organizations for our case studies: a savings and loan cooperative, housing cooperative, and a savings bank. In applying this method, we considered the following elements: information and a diagnosis of the organization, activities, operations, and the presence of solidarity. We verified that the players in the popular economy moved to create an organization within the popular and solidarity economy, and saw how they implemented the principles of cooperatives, the popular and solidarity economy, and the concept of Good Living [a concept expressed in the native Kichwa language]. To collect information, we put together a matrix that covered the abovementioned points, including information resulting from ethnographic work that allowed us to find that the analyzed cases fulfill the parameters needed to be considered practices specific to the popular and solidarity economy.

## Results

The information obtained from our research showed that urbanite indigenous immigrants in the San Roque Neighborhood created economic strategies to overcome their problems and satisfy their needs without turning to assistance from the state or the private sector. These strategies can be divided up into two major groups. The first was developed first back in 1970 and can be identified as one of a popular economy, in which, either individually or as families, they created grocery shops, small restaurants, bakeries, and a wide range of services in marketplaces. The second group can be called a popular and solidarity economy; it gained steam near the end of the 20th century and in the first decade of the 21st century. This is characterized by the principles of solidarity, participatory democracy, transparency, reciprocity, mutual assistance, etc., and is made up of cooperatives, associations, and cash pools. We found that in San Roque, a process took hold that transformed the popular economy into one reflecting more of a solidarity economy, without eliminating the first. However, these new economic strategies are unable to guarantee, in an associative sense of the word, material aspects such as access to jobs, savings, credit, housing, healthcare. Also, being something quite new, symbolic aspects that

are the result of its community relationships that were initially developed in their native regions and are now being reproduced in a new territory: the city. These aspects include trust, community governance, collective work, and mutual assistance.

### **Limitations of the research**

It is important to point out that minimal quantitative information is provided about the organizations we analyzed, and there is a reason for this. Our access was limited by actions taken by the Superintendent of the Popular and Solidarity Economy, in which a savings and loan cooperative was intervened by the government, leading to its closure. This caused the key players to have a certain level of distrust, and as a result, they did not allow us access to their minutes, records of deposits, loans, assets, etc., which were necessary for us to better understand aspects related to the administration, financial inclusion, or origin of the organizations.

### **Practical conclusions and original value**

These results allowed us to reach the following practical conclusions: a) It is important not to homogenize indigenous groups, but rather differentiate them depending on their contexts in order to give visibility to a population group that lives in cities using economic practices that are different from the capitalist, business-based economies or public economies; b) The economic practices of urbanite immigrants in Quito should not be limited to the popular economy, as they have been reflected in several studies, since there is a more organized level of action, which is that of the popular and solidarity economy; c) We have included considerable information about the popular economy and the popular and solidarity economy of urbanite indigenous immigrants in the San Roque neighborhood in the case study, since local public policymakers need to understand the particularities of these groups in order to create policies that respond to their stakeholders' needs. This can also be of great use in proposing public policies that contribute to moving from merely a popular economy to more of a solidarity economy.

The importance that this article is derived from its presentation of a population group that is found not only in Quito, but throughout Latin America. Thus, the work done here can contribute to comprehending the economies of that entire population. It is also important to point out that our focus was different from that of other work done on urbanite indigenous in the San Roque neighborhood, which have limited their analysis to the popular economy, effectively making other aspects of the economy, governed by solidarity, mutual assistance, and community governance, among others, absolutely invisible. To close, as mentioned above, this knowledge is indispensable to all levels of government to ensure that the state is able to create public policies that ensure it fulfills the 2008 constitutional mandate, which declares that Ecuador has a social and solidarity economy, and a subsystem of popular and solidarity economy.

**KEYWORDS:** Social economics, organizations, immigrant, cooperatives, transition economies, economic anthropology, reciprocity.