"We have always been in crisis"
An ethnography of austere livelihoods in Northern Portugal
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CHAPTER 1

Livelihood Dispossessed:
“Illegal Vegetables”, the Retreat to the Home and State-Led Regulation

“Illegal Vegetables” and Household Livelihood

It is the first days of March 2016 and the Municipal Market in Guimarães is experiencing its usual steady morning traffic. Shoppers are moving among the stalls while the predominantly female vendors attempt to chat them up, sometimes gently tugging at their sleeves as they quote the prices and describe the quality of their produce. Maria is tending to a client interested in their honey while her sister is downstairs unloading the van. Before the sister can make it back, the two main entrances to the market hall are suddenly crowded with men in blue windbreakers that have yellow logos on the front and back. Most of the men stay by the entrances while three teams begin to make their way slowly from stall to stall, checking permits and questioning vendors. Looking around the hall, I see that vendors everywhere are stuffing their produce under tables and covering their tables with tarps. I also notice the way that previously occupied stalls are suddenly unattended and their vendors are slipping away and disappearing through the backdoors. Where there were several salespeople to a stall before, now only one remains and, in every case, the remaining vendor is either the renter of the stall or someone who can show proof of employment by the trader.

By the time they reach Maria’s stall, the inspectors are already carrying several boxes filled with the things they have confiscated. Upon request, Maria produces a permit, which the head officer proceeds to meticulously check against a list of his own. Repeatedly, he calls out the weights and numbers of vegetables, which, in turn, one of his underlings holds up, weighs or counts and then reports back on. In the end, Maria receives a fine of 500€ and a carta da advertência (warning notice). It threatens persecution and license suspension should she, in the next 12 months, again be caught with undeclared produce or, as the warning notice refers to them, “illegal vegetables”. She refuses to accept the notice and, crying, she pleads with the men, citing her sick husband and unemployed grandchildren as reasons for her transgressions. Later, I learned
that they checked not only her permit to sell but also her tax-reported sales against the bookkeeping and contents of her till.

About an hour into the inspection, a small crowd of people has gathered in the corridors and are following the inspectors around. As the head inspector demands to see another vendor’s permit and accounting ledgers, which he cannot produce, a chorus of voices quickly grows louder. Complaints, pleadings and threats echo around the room as more and more boxes filled with confiscated produce accompany the tax authority officials. Whether as a reinforcement called for in response to the shouts, or because it was planned that way, an extra unit of uniformed men flood the hall. They soon come to outnumber the women vendors. When they finally leave, three vans loaded up with the impounded produce leave with them.

The vendors and spectators gather around. Maria is not the only one crying now. The news has travelled fast and, as more people arrive, a discussion quickly ensues: many of the vendors are upset over the loss of their produce, wondering how they will earn cash in the weeks to come, lamenting the injustice they have just suffered. It becomes clear that the _fiscalização_ (tax authority) has never visited the market before and people are referring to it more as a “raid” than an “inspection”.

Several of the older vendors, Maria among them, compare the event to the produce impoundments at their home farms that they remember from the time of food rationing during the Dictatorship in the 1940s and 50s. At that time, local inspectors, usually aided by the National Guard (GNR) and sometimes even the secret police (PIDE), would inspect the production of family farms and determine the amounts to be impounded and “redistributed” in food rations to the urban populations. “Are they going to _redistribute_ this food, too?” Maria asks, her fingers sketching quotation marks around the word “redistribute”. “Back then, at least they pretended it was for the common good, stealing from the _gente a baixo_8... now they just make our life impossible, without bothering even to lie”.

This inspection at the market was emblematic of the time I spent in Guimarães between 2015 and 2017 for two reasons. First, the persistent crisis and decline during the last decade has rendered unattainable any livelihoods derived from employment in the ‘formal’ sector. As a result, in order to survive, people have been resorting to ‘informal’ practices—the same practices they thought they had overcome in the past. Thus, the past-present differentiation between formal and informal livelihoods, along with the way these were selectively remembered, became a salient topic during fieldwork.

Second, this ethnographic moment exemplifies how the means to everyday livelihood-making are being made impossible by a variety of state-led regulations and interventions. Under the auspices that they were ‘informal’ and needed to be regulated,
people’s means of livelihood appear in a process of being dispossessed. The people I got to know in Guimarães perceive interventions like the market inspection as novel phenomena in a local setting previously characterized by a relative absence of regulation. People have been left in a livelihood impasse due to state intervention combined with downward pressure, deindustrialization and unemployment. In this situation, those activities that have always been used to make ends meet are increasingly threatened by criminalization and dispossession; yet, at the same time, there exist no ‘formal’ avenues of employment. This is the current face of the livelihood crisis and my aim in this chapter is to explore the intricacies of this predicament and its implications for households. My analysis begins by accounting for the household as a locus of livelihood activities, beyond the formal/informal dichotomy.

The protagonists of this account belong to an extended family inhabiting two multi-generational households in the north of Guimarães city centre (compare Figure 3). Most family members currently residing in the house are formally unemployed but, in any case, spend the majority of their day engaged in income or sustenance generating activities. Being from a multi-generational, multi-occupational and downwardly mobile household whose members have worked in the textile industry, Maria’s family is broadly representative of those that I worked with in the region. The family owns two modest plots of land that they farm and feed themselves from, and the two older generation women, Maria and her sister, sell any surplus produce at the municipal market. This business has formed the backbone of their household income for the last 60 years.

In the 1970s, Maria’s youngest son immigrated to France, where he operates an unregistered (shady) automobile import-export business. During fieldwork, two of the grandchildren went to join him in Lyon. In addition, from the mid-1960s until the early 2000s, Maria’s husband (now deceased) and her sons of were employed as operators in several medium-sized textile factories, which at one time yielded sufficient income for the sons to build a second, modern house adjacent to that of their grandparents and in which they raised their two families. Her two sons’ wives ran and are still running (now unofficially) an outworking, subcontracted sewing and embroidery workshop. When orders are incoming, the workshop relies not only on the two worker-owner sisters but also on every available family member to operate the machines and complete the orders in time. The rest of the time, the machines lie idle, so their six children have all had to find different sources of income.

Other than the two grandchildren who migrated to France, one of Maria’s granddaughters runs a hair salon from home, while her sister, who has a degree in computer engineering, repairs private PCs at home and is responsible for posting the rooms they rent online. Both sisters share a bedroom. After leaving high school, the youngest two grandsons have been taking biscates, usually as day-labourers, whenever they can get them. Additionally, they help their fathers farm the land and their mothers in the workshop. Since the ethnographic material in this account largely concerns the everyday management of livelihood, and since the compromising of these activities by the state
is a significant aspect of the livelihood strategies of many other households around Guimarães, I also include several other actors in my account.

Conscious that they live in changing and depressing times, the inhabitants of Guimarães that I came to know are acutely aware of how state-led regulation has come to impact their livelihood. They continually evaluate their available resources while accounting for and managing the little that lies within their power. They do so in the midst of an unpredictable environment filled with arbitrary and constantly changing regulations. With previously ordinary modes of production rendered illegal, it is urgent to understand how people organize and practice their livelihood on a daily basis.

In doing so, they strive to define a moral framework that helps to distinguish the activities that are not strictly legal (but nonetheless acceptable) from those that are obviously criminal or illicit. This domain is characterized by a dichotomy of subterranea [underground] versus criminal activities. Subterranean activities are generally defined as those that members of a household might pursue in order to make ends meet. Examples of this would include growing and trading food; hawking; sewing or outworking for women; and biscates, moonshining and petty drug trade for men. Criminal activities, on the other hand, are associated with the practices of a different class: gangsters, gente grande (big people) or politicians. Extortion, corruption or land theft through 'bureaucratic tricks' would be some examples. Underground activity is openly discussed and widely accepted as normal or even necessary, whereas criminal activity is commonly agreed to be morally derelict. The definitions of what is acceptable and what is not are highly variable and virtually never seem to correspond with the legislative provisions of the Portuguese state. This disarticulation between what was considered acceptable but still persecuted as illegal came to be one of the most salient themes in the crisis of livelihood.

It is against the backdrop of this disarticulation that today’s return to informality is perceived as radical. The second section explores this shift in regulatory enforcement. I suggest that many livelihood practices are rendered increasingly impossible by the intervention of a state apparatus that defines them as informal and subsequently criminalizes them as illegal. Regulations suddenly came to be enforced with an intensity not seen since the Dictatorship. This changed people’s perception of these activities and the political space they inhabited. Most important was their understanding of the role of the state in their lives—its regulations and right to intervene. This observation raises important questions about the nature of ‘the state’ or what the referent is when the signifier ‘state’ is used (Gupta, 1995; Krupa & Nugent, 2015), but it also invites us to explore the arguably ‘novel’ type of state intervention introduced by austerity. I aim to highlight the complex orthodoxies that govern the (austerity) state’s administration of its population as well as the assumptions about ‘rationality’ and ‘human nature’ that underlie them. These questions may in turn have wider implications for the role of the state during moments of systemic breakdown.

The final section returns to Maria’s household to investigate the shifts in livelihood-making resulting from the latest wave of regulations. I suggest that, after the criminali-
zation of informality, the livelihood practices that still remain available to people rely on what is often the only family assets left where surveillance and repression can still be avoided: the home and private property. On the one hand this return seems to a pulling back into the home, both in that subsistence farms are re-emerging and that externalized activities are brought into the household in order to avoid surveillance and taxation. On the other hand, however, there is an emergence of new informal practices with the move to the house, such as petty rent extraction and entrepreneurial activity in the broadest sense. Private property, as an asset to be turned to in times of hardship, marks the most noticeable shift in livelihood strategies arising as a response to austerity. Here too, however, the logics of neoliberalism increasingly penetrate. On the whole, I term these livelihood strategies a ‘retreat to the home’, taking inspiration from the phrase, “retreat to the household”, that Frances Pine (2001) famously used as a description of postsocialist Poland. I conclude by offering some reflections on austerity as both the continuation of a long history of state intervention in the region and, simultaneously, as a ‘radically new’ experience, due to its being mandated and interest-driven from above in the context of austerity. In doing so, this chapter sets the stage on which the remainder of this thesis will play out.

Here They Criminalize, There They Steal: Two Faces of Regulation

Whatever reasons I gave to my acquaintances to rationalize my extended stay in the peripheral areas of Guimarães, people were continuously searching for their own explanations as to why I had moved to the area. Maria’s brother, Fernando, told me one afternoon shortly after the market inspection, as we were sipping tea on their veranda: “You are here because we once again live like people in the past! You want to see how we get by without jobs, or help… or respect”. His assertion alludes to an often repeated claim that the improvements gained since the Carnation Revolution are slowly undone by persistent crisis and decline. The comparison is almost always a negative one, insofar as it indicates a backslide into what was thought to be already overcome, that is, a return to a past in which agricultural subsistence, informal trading and petty production are once again the “only chance we have to get by” (Fernando, FN).

To understand these statements, we need to take a brief recourse to the regional history of textile production. As indicated in the introduction, the textile industry has been the main form income generation in the manufacturing sector since the 19th century. In this time, there was a brief moment directly preceding and following European integration in the late 1970s and through to the 1990s, when formal waged employment was the main contributor to livelihood (Confraria, 1999). At the time, the textile industry was booming, secure employment options in the factories were widespread and the Portuguese state was offering far-reaching social and educational initiatives.
With an employment quota of 95% in 1980, the Northern Portuguese textile industry thus seemed to be developing in a contrary direction to the industry of the rest of the country (Lains, 2001; Royo, 2014). During this period, a wide variety of European funding opportunities for structural cohesion, agricultural convergence, and industrial modernization became available, resulting in unprecedented economic growth in the region. Since Portugal's official joining of the EU in 1986, and until the year 2000, 80% of all exports coming out of the Vale do Ave were in textile, garment and leather (INE; 2014, CI 2015).

In my informants' memory, this period is narrated as the “golden age”: period of big hope and aspirations. This is the time in which Carlota's expectation of an easy life (introduction) finds its aspirational basis, and in which the means for livelihood making were located, for the briefest of periods, almost exclusively in industrial wage labour. Many of the family and working histories I collected during fieldwork pinpoint this as the moment in which farming ceased to be a livelihood strategy. While an exclusively positive period in the experiences of my informants, it must be highlighted that the EU funds and provisions introduced at the time came with a set of bureaucratic and legislative reform requirements. In the long run, these structural aspects of European integration would come to have adverse consequences that, as we shall come to see, entangle the possibilities of livelihood making until the present time.

It is against the backdrop of its residual memory that today’s return to informality is perceived as radical. In the introduction, I have alluded to the regulation of social life through the use of the crisis trope and its securing of the conditions of possibility for capital accumulation. At this point, it is not my objective to theorize state intervention in the North of Portugal. However, the state as an active agent in this conditioning of social life must also be noted. What is more, past exposure to state regulation has conditioned people's expectations of the state's role in their everyday lives. I am therefore concerned with the presence of the state in people's everyday lives, in general, and the role it plays in shaping the narrative of chronic crisis in particular.

I thus engage the histories of state-led regulation here, in order to showcase how from today's austerity regulation is viewed as so painfully different. To understand this, it will be necessary to look at both the presence of regulation in the workplace and the public sphere, alongside its absence from the intimate sphere of household reproduction. In fact, Alves (1999) and Fonseca (2001), among others, have argued that the development of industry in northern Portugal has always been contingent upon a peculiar absence and presence of the regulating forces of the state. In a nutshell, the state was seen as overtly present in that it permitted, even legalized, the expropriation of land from industrial use, facilitated the “supreme reign of patronal rule” (Alves, 1999: 34), repressed wages, and limited direct intervention to those instances where the social peace was threatened (Cortesao et al, 2012). Conversely, the state was seen as absent from people's everyday livelihood making by its lack of social security mechanisms, public health care and the institutions of liberal citizenship. During the Estado Novo especially, the responsibilities for social reproduction were delegated to families and
households, using a forceful ideological discourse emphasizing sacrifice, family cohesion, social docility and saving.\footnote{It even went so far that during the times of food rationings in the 1940s, a propaganda campaign was launched that suggested redistributive food rations be given only to those without access to any land: urban populations.} Taken together, these tendencies can be read to mean that, throughout its expansion, the textile industry depended upon multi-occupational households that could combine wage labour with home-based outworking arrangements and could be relied upon to organize for their own survival.

Virtually all of the households in Guimarães that I got to know had families and working histories centred around the textile industry that dated from a time when the social protections that are now commonplace did not exist. Considered from a perspective of household livelihood, the state’s absence translates into a requirement for families to organize for their own survival. As a major continuity structuring their experience from even before the Dictatorship, it seems that people have come to expect institutional absence from their livelihood making. While viewed as insufficient and often lamented as deficient, on some level, this relative negligence of the state towards the local population was taken for granted as a basic fact of life. I would suggest that it could even be interpreted as an entitlement, in that this absence made possible the organizing for survival in a way that people saw fit, without the need to fear regulation.

“Draconian Regulation”

The customary pluriactivity of the households like Maria’s and their ability to pursue these activities without interference, appears to be the reference point for people’s awareness that something has recently changed in the expression of state regulation. The decades of boom, narrated as ‘the golden age’, meant that there was a possibility to subsist almost exclusively off wage labour and textile industry work in various sub-contracting arrangements. It was in this period that agricultural and artisanal petty production, rent, day labour, and so on, assumed a peripheral position in livelihood making (Cortesão et al, 2012). Recall that this ‘golden age’ directly followed Portugal’s integration into the European community, which heralded not only unprecedented growth but also the bureaucratic and legislative regulation of areas that were previously left relatively unregulated (Rodrigues & Reis, 2012). However, now that households are once again dependent on a wide mix of activities in order to make ends meet, they notice a new quality to how the state treats them and the activities they “have always pursued” (Maria). This topic of conversation most often arose in discussions about politics and the politicians’ failure to understand how people make a living. A discussion between Maria and Fernando, shortly after the Municipal Market episode, can showcase how they perceive the link between politicians’ view of people’s lives and their actual livelihood.

Still deeply upset about the “raid”, the discussion begins with Maria’s assertion that one of the reasons that traditional production, distribution and livelihood are
under such a strong attack is due to the power of the big business lobbies that own supermarkets-chains. They have an interest in farmers’ markets and traditional products being relegated to marginal roles and places, so that they may benefit from the prime locations. Here, big business is directly tied to the slow disappearance of home production and, more specifically, agriculture. This complaint is supplemented with a bit of family history by telling the story of Fernando and Maria’s uncle. He was a shepherd and subsistence farmer living almost cash free in the Geres mountain range. As was the norm, he would trade a large part of his livestock and wool to a merchant cooperative in return for his yearly provisions of rice, petrol and other goods. He additionally made goat cheese and ham from his excess produce at home, which he sold informally in the surrounding villages. The money thus earned was his only cash income.

One day, his home and cheese kitchen were visited by some inspectors from the regional health and safety board, who fined him for violating the existing production standards. The inspectors explained that all processed food made for commercial purposes must be produced according to standardized norms that stipulate the kind of hygienic conditions found only in industrial production: completely tiled rooms, extractor fan cupboards, stainless steel utensils, heat pressure cleaners, and so on. Although the uncle was given a month till the next inspection by which to comply with these regulations, “it was evident he wouldn’t make it” (Maria). Although not intentionally designed to do so, the fines he had to pay, and the regulations that he was required to comply with, effectively put him out of business.

Maria and Fernando recall the enforcement of these regulations as effectively rendering their uncle’s livelihood impossible, or at the very least, illegal. To them, what happened to their uncle is qualitatively the same thing as what happened to Maria at the Municipal Market. Whether it is the health and safety board or the tax authority, what they do is:

illegalize livelihood making, especially in terms of pushing into illegality the benign things we have always done to survive. …it’s like they pretend we love to do this, but it’s from need, you understand. My uncle couldn’t have paid for electricity, or gas, or petrol if it hadn’t been for the cheese (Fernando).

Not only are their means of getting-by rendered illegal, but the laws and state bodies that enforce these regulations do so selectively and arbitrarily:

The big producers, you know, just like the big supermarkets.. they break all the laws. And when they get caught, they pay the fine and continue on just like that. But us… a little fruit vendor like myself, I get fined once at the market, I go bankrupt trying to pay the fine… and if I don't pay, they take my license. Anyway, we're out of business! Our only option is to also produce industrially, like gente grande! But how could we, with these draconian regulations? …The suggestion that we can earn money that way is ludicrous (Maria).
Maria’s is a popular lament that points to what is perceived as a deeply entrenched inequality in how different societal groups are treated by state apparatuses: While those with money get to break all the rules, gente à baixo are treated like criminals for trying to put food in their mouths. Implied, but unsaid, is that for people like Maria who trade at markets, what they do is not about business or making profit, but about survival. The selective and arbitrary enforcement of what constitutes a crime for ordinary citizens, as opposed to corporations, emphasizes this inequality. The underlying assumption seems to be that there is a link between big businesses and the political structures that makes this relegation possible.

I want to suggest that there is a deeply political dimension to this assertion, one that becomes more visible when I ask Maria when it was that they noticed this “change” in regulation enforcement. Her opinion is clear:

It's a thing that comes from the EU. It was in the 90s that this standardization of everything happened... artisanal products, food, regional production being regulated by law. Like olive oil, meats, alcohol, even jam. I think for example that before the 90s, I never bought fiambre (ham) in the supermarket. It wasn't something you did...you knew someone, who knew someone, who sold great ham. So you went there. It was local, ecological and cheap. No problem.

I think the big businesses... they always got away with breaking the laws...But back then, so did we, you know! Us, up here in the north [...] They left us alone for a long time, to take care of ourselves, even with the EU. Some things we weren't allowed to do, for sure... But just until recently, until this raid at the market, they left us [alone]... It is only now, with this crisis that they use us as an example...that what they do is as violent as back in the old days.

And her brother continues:

And even now, you can find these things... Like, you ask around for Agua Ardente [moonshine, CL]. And eventually someone says 'I will arrange it for you.' And he will find you moonshine. But then you need to go at night to a place to pick it up, a dodgy place somewhere far away from everything. It's like you were asking for drugs! That's how illegal they are making it.

It might now be possible to magnify the implications of the livelihood crisis encountered by Maria and Fernando's household. By tying their own actions immediately to those of others, in a moral framework of the 'their crimes are larger than ours' kind, politics and economics (as "big business", "gente grande") become the targets of their anger and get blamed for their situation. Effectively, Maria and Fernando's analysis compares their small informal practices to big agro-businesses, alongside the EU policies that enabled and sustained their creating. Although these are rather incomparable, the implication is crucial: In their analysis, they pit their own livelihood practices
against the actions of big capital and big business; that is, they ask who really is at fault in rendering their livelihood unworkable and the financial crisis present, and finally they conclude that they themselves are not at fault.

In both their assertions, Maria and Fernando note the 1990s and EU integration as salient moments for the lives of petty agricultural producers as well as noting the more recent crisis as being a turning point for everyone. I will explore the current moment in the next section, but their opinion about the 90s warrants some attention as well.

**European Integration**

The shift for small agricultural producers that Maria and Fernando are highlighting coincides with the signing of the Common Agricultural Policy of the Maastricht Treaty in 1992. It constituted the final step of Portugal’s integration into the European Economic Community, the forerunner of today’s European Union (EU). The Common Agricultural Policy instituted far-reaching changes to the agricultural activities allowed to be profitably pursued in the country. Under the auspices of competitive deregulation and common production among EU members, peripheral Portugal was required to adapt its minimal production to match that of the pre-existing industrial farming in the EU core states. In effect, this meant that some of the oldest and most common agricultural activities of the region (fishing, dairy production and livestock rearing) were done away with, since Northern EU countries already fulfilled the fish catching quota and production requirements up to their overall limit (Rodrigues & Reis, 2012).

A prominent theme among many of my other interlocutors, this EU integration appears to have had far reaching consequences for the possibilities of livelihood-making in Northern Portugal. Many producers around the Vale do Ave remark that all that was left for them to produce was that which the north, for climatic reasons, could not: green wine, olives and cork oak. This is not to say, of course, that there was no longer any fish, dairy or meat production. In fact, these livelihood activities have continued informally, and have often been a source of conflict between people and state officials, as we will come to see below. Farmers who wanted to export their goods to EU markets or profitably market them now found new challenges: they not only had to compete with cut-price imports from Northern industrial farms, but they themselves were subject to production and export quotas, taxation, rules and production regulations that effectively required industrial conditions. Even for small and medium producers of those goods still allowed for production, competition from the core states has meant an ‘upscale or die’ scenario in which few survived: a trend illustrated in the example of Maria’s uncle above.

The shift in regulation, and regulatory enforcement that came with EU integration, marks the first instance of recognition by my interlocutors that their treatment by the state has changed. However, because few people in and around Guimarães relied on agricultural produce beyond subsistence, this first shift was not as starkly felt in their regions as it was in the “agricultural enclaves” (Carolino, 2010: 656) of the Alentejo (Carolino & Pinto-Correia, 2011) or the coastal fishing villages (Amorim, 2015). In
hindsight, however, Maria and Fernando can apprehend the regulatory changes that have been instituted in the 90s as the forerunners of today’s interventions.

Both Maria and Fernando view the most recent interventions as a major shift in the intensity of law enforcement, as well as indicating the desperation of the local state to bring informal economic activities under its control. They situate the inspection at the municipal market as an unprecedented event that only makes sense as the culmination of a longer process; a process that has been under way from well before the recent financial crisis, in fact, one that has been around since the beginning of the EU. Since then, the ‘benign’ way they have lived is increasingly legislated by norms and regulations. While past intervention may have had the stated intention to regulate informal activities, only now is there a genuine threat to the conjuncture of formal and informal activities that had made livelihood possible. This raises questions about the logic underlying the fiscalização and other efforts of state officials to punish informality, for example through sanctions on the trading of “illegal vegetables”.

Of Austerity, Convention and Escalation

While governmental economic interventions of the past sought to formalize previously unregulated activities under the auspices of a ‘common market’ and ‘integration’, austerity interventions treat all informal practices as tax evasion and therefore as a crime. The nature and intensity of today’s regulations mark a major break with the continuity of previous times. This interpretation invites us to question the occurrence of the Municipal Market raid at the very time in which the Portuguese economy is also, as Maria correctly observed, ‘in crisis’. It does not appear to be a coincidence that the raid occurred at the same time as the Portuguese state was being pushed by its European creditors to gear up its game, maintain international creditworthiness, and secure further loans by repaying its debt and controlling its internal deficit. We will first take a look at the laws governing the municipal market and their sudden, unprecedented and selective enforcement during the raid.

Of the over 90 municipal ordinances governing market use and vending, several are relevant to our case. First, all vendors must have a vending license and the main requirement to get one is the possession of a commercial licence. A commercial license authorizes the production and distribution of goods according to the current legal requirements and obliges the holder to report sales and income to the tax authority as well as to pay contributions to them accordingly. Only after traders have completed this process are vending licences issued by the Municipality. Vending licenses stipulate not only the title holder and their employees, but also the stall that they occupy in the market, the activities allowed to be performed there, and the products authorized to be sold (Art 2, 3 and 20).

Secondly, all vendors holding a license agree to abide by the municipal ordinances that govern market trading. One crucial stipulation is that vendors agree to cooperate with
municipal services, the police, and other public functionaries (art. 35: para.1&2, art 42). This includes but is not limited to: presenting all information requested by official functionaries, such as their bookkeeping; names and license numbers of trading partners and employees; produce origin and the production processes (art. 36); aiding in the carrying out of duty (35); and the denouncements of all infractions, misdemeanours and other, irregular occurrences at the market that they have knowledge of (art 42). Failures to comply with any of these stipulations are punishable by a fine ranging from €50 to €2500, depending on the gravity of the infringement (art.44). Procedurally, repeated offenses will receive a warning notice for the first offense and, for similar infractions after that, a vending license can be withdrawn (footnote art 44). Most of these regulations have been in effect since 1999 (amended 2002). However, as we can glean from the vendors' shock at the time of the inspection, these regulations were actually enforced only very recently.

During the inspection episode described above, vendors found at the market were in a wide variety of regulatory violations, under the auspices of both the municipal ordinances and the tax authority’s regulations governing commercial licenses. Most notably, they failed to report irregularities among each other, tried to obscure their involvement in unregistered trading, and were selling unauthorized as well as higher quantities of produce than they had declared. However, the only infringement penalized during the inspection was their failure to declare the correct produce, sales and income to the tax authority. Alleging that the failure to report all produce and sales constituted an effort at tax evasion, thereby withholding potential tax revenue from the state, the tax authorities levied fines against Maria and others.

In fact, one of the three core objectives identified in the MoU to remedy the Portuguese economic crisis was “financial sector regulation and surveillance” (Letter of Intent, MoU, 2011: 1). By this, policy makers were referring to a whole set of regulations designed to protect the country against international deleveraging, the reduction of public deficit, the curbing of further debt expenditure and the restauration of international credit worthiness and market faith. The designated measure to achieve these objectives was a comprehensive plan of action to combat tax evasion and benefit fraud. This plan was intended not only to 'end informality', but estimated to yield EUR 1 billion in the medium term of four years, which could be used to curb public deficit (compare MoU Portugal English, 2011: 5 &15). Implicitly, the accusation made against Maria and her fellow market vendors might thus be extended that say that the tax revenue they allegedly withheld, could, if it were received, contribute to the country’s ability to balance its internal deficit and thereby reduce its debt and retain international creditworthiness.

10 I use the term accusation to describe how informal trade was treated to emphasize the connection between the way public discourse assigned blame to the poor for ruining the country, as it did to bureaucrats for being lazy and overpaid, while failing to acknowledge the role of national and supranational institutions.
Moreover, there is a moral dimension at work here, in which informality is treated as the crime of tax evasion, which is then in turn identified as one of the leading causes for the country’s internal deficit and its need for austerity measures in the first place. Most commonly, the reasoning begins with the allegation that people have spent the last decades senselessly consuming on borrowed money, afforded by the wide extension of popular credit. This has allegedly caused them to live above their means in a luxury often referred to in the media and elsewhere with medicalized jargon insinuating that consumption is a sickness. This time of lavishness, people were repeatedly told, was now over. It was time to come together as a country, forget individual desires and greed, and collectively pay the price for having lived too far above one’s means. The country and its people would have to be ‘cured’ of the ‘sickness’ of individual greed, overconsumption and overestimation of one’s own means, and the medicine to tighten one’s belt was to be called austerity.11

I propose that it is exactly this scapegoating definition of petty tax-evasion as the cause of austerity, accompanied by registers of blame and shame, that constitutes the watershed moment making the present attempts to curb informality different from those in the past. As far as the tax authority was concerned, petty tax evasion was an expression of the selfish greed and lavishness that was responsible for the financial crisis in the first place. Curbing illegal activities through inspections and fines then reveals itself as the logical medicine for the “ignorant”, “selfish” or simply “greedy” people who practice informally in order to avoid paying taxes. It is also likely to discipline them into ‘obedient officiality’. The revenue generated by the fines might be negligible in comparison to what the national tax evasion statistics allege is missing, but the moral lessons that such an intervention teaches to the people it targets are likely to be long-lasting. Moreover, the depiction of these inspection raids by the media provides a sign of good will to the country’s international creditors and European auditors alike. Redefining informality as the crime of tax avoidance rendered legitimate the harsh, almost violent intervention we saw at the Municipal Market.

The raid at the municipal market emerges, then as performative: a performance designed to instil fear and awe of the state’s power in the reluctant, deviant local population with its long history of informality. So Maria and Fernando seem quite correct in claiming that something has changed in how the state treats them. What has changed is that the state is, on the one hand, pushed to execute saving and deficit-curbing activities mandated from above while, on the other hand, still has to legitimize these policies of repression, illegalization and sanctioning to its population. The body of literature dealing with the state that has followed from the Foucauldian turn in the social sciences has elucidated this shift as one of ‘governmental morality’ (Rose & Miller, 1992, Rose, 1999; Donzelot, 2008; Gordon, 1991). As the state’s role moves from being primarily a

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11 References taken in regard to the medicalized jargon used by newspapers across the EU during the discussions on austerity, for an example, compare: http://www.ft.com/intl/cms/s/0/2009bb0b-8d3a5-1e3-b0be-00144feadb0a.html#axzz31h4JOKqr
protector of the citizens to being a collector of taxes, its function is profoundly altered in ways that seem, at first glance, irreconcilable with the prerogatives of liberal rule. Pushed to find new frameworks to rationalize what is effectively a repressive function, it no longer seeks to govern through the promise of a free society but rather, through a presentation of society as a heterogeneous community tied together by moral relations to each other (Rose 1996; Gordon 1991; Abrams, 1988; see also Smith, 2011).

It is tempting to rely on a ‘governmental morality’ interpretative framework to account for the attempts to curb informality in Portugal. Certainly, austerity Portugal was busy implementing a moral framework with tax-avoidance, blame and shame at its center. However, placing governmental morality within the historical context of state intervention, we see that the role of international creditors; and their ability to increase pressure to repay national debt, complicates the simple transposition of Rose’s analysis. I submit that while a shift in governmental morality was surely at work, its reception by those targeted is neither uniform nor as effective it was intended to be. Instead, according to my ethnographic evidence, people saw the governmental shift as only a performance having limited reach into their lives; on top of that, they responded to it with a diversity of moral manners and economic strategies. Using the example of Maria’s household, I will strengthen the preceding argument by pursuing certain questions: What activities make livelihood possible? How are they continued, reshuffled and relocated in response to criminalization? How are the decisions to continue informally arrived at?
Beyond their moralizing function and, more importantly to the point of this thesis, the types of interventions I have described have very real consequences for the possibilities of livelihood-making among the populations they target. Despite the performativity of regulation, the criminalization of informal livelihood activities did not, lead to the taxable formalization of all activities, as we can assume was the intention. Rather, it produced conflictual attempts to continue but conceal activities through the methods of: continuing them in the same spaces as before; expanding those activities that were less subject to sanctioning; or by shifting the location of activities so that they could continue below the radar.

Aware of the increasing regulations and challenge they are likely to pose, three options appear to remain for pluriactive households. The first lies in carrying on activi-
ties in the same (public) space as before, while possibly trying to hide them better. Continuing despite control and repression involves bearing the consequences of the likelihood of getting caught, as in the case of a fisherman on the Vizela River, who told me one night: “My family, we have always fished here. So I do now, too. Of course they catch me. And I pay when they do... I pay my fine like I pay for petrol and fish-net repairs”. Like this fisherman, many legitimize continuing criminalized activities by referencing custom, tradition and family history. Maria, too, insists that “we have been selling at the market since my Grandma’s time. She walked here every morning, 12km, 6 days a week. I continue to sell, for her. Let them lock me up”. Especially among those whose work activities could not be relocated, there was an insistence on maintaining an openly public presence of informality. The money that potential fines and bureaucratic trouble would incur came to be calculated as part of the operational expenses. However, the revenue gained from such ventures dwindled as profits were squashed due to decreased activity arising from increased surveillance and ensuing fines.

With the insistence on continuing informally in public, we find the articulation of a complex morality. Returning to the discussion that ensued among vendors after the market raid, it became evident that they made sense of the experience of having their means of livelihood taken in a violent raid by associating it with the structural violence common during Dictatorship. This historical parallel of dispossession appears to have offered them an avenue of available action in which informality could be continued, albeit outside the public sphere. As a relativizing comparison, this convinced them that past strategies used to deal with the Dictatorship are in fact still viable strategies for livelihood and resistance today. The veranda conversation with Fernando and Maria that I cited above brought this conviction to the forefront. Clearly, insisting to continue informal activities and refusing the “intimidations” by officials was a question of pride and self-worth in as much as it was one of material necessity. Of course Maria felt intimidated and threatened after the raid, if not physically then certainly in regard to her ability to manage her livelihood on an everyday basis. But she was also, and perhaps more so, determined to do what she had to get by, because she did it back during the dictatorship, too. What Maria’s case attests to then, is the complex, contradictory reception of regulation by those it targets—an observation I will return to and analyse below. From a temporal perspective, the present-day interventions were still radically new in kind, even while the existence of repression and the threat of violence remained age-old structural realities.

More often than not, however, attempts are made to conceal the avenues of livelihood making in order to avoid taxation, chastisement and sanctioning and the members of Maria’s multigenerational household are a case in point. The most common strategy to put a buffer between regulatory intervention and people’s informal livelihood lay in capitalizing on property as a space that can be controlled and relied upon. While Maria continues to sell on the market, not all the women in her family share her defiance. Maria’s daughter and her sister-in-law relocated a sewing workshop to their garage in 2013 in an attempt to avoid regulation and taxation as well as to ensure continued profits. These
profits had begun to dwindle due to the disproportion between very low piecemeal prices and production cost, mainly because of the higher private income taxes the MoU brought. Although they had never run the workshop completely formally and relied on unregistered piecemeal workers to complete their orders, this relocation still constituted a major shift in their operation. It meant the letting go of some of the informal employees—to hide better—and relying instead on family labour. A previously semi-formal activity thus joined the host of subterranean activities already existing inside the home.

Moreover, activities that had always been underground were also brought into the house or increased as a result of a profit versus risk calculation. One example of this is the day-labouring performed by Maria’s grandsons and another is the increase in soil under cultivation on their farm. Additionally, Maria’s two granddaughters operate their respective businesses out of their shared bedroom. Although, in the past, both had been formally employed in hairdressing and computer engineering, running their businesses in a salon or office is now out of the question. “There is no money in this” and “No one will hire me, they have to pay me too much” are common explanations that the two give. In their case, the return to the home had as much to do with what they perceived as an impossibility to be hired formally as it had to do with the home offering the ability to pursue and earn money from their professions.

Thirdly, new semi-formal activities were added to the strategies for livelihood. Attempting to make the most out of the assets available, across Guimarães, households began to rent their spare spaces out to anyone willing to pay. In the case of Maria’s household, in both houses, the rooms and attics were hastily furnished and posted to online platforms to attract paying tenants. As this strategy proved successful where many others did not, further attempts were made to capitalize on rent extraction, for example, using AirBnB or similar intermediary online platforms. In the older home, the two granddaughters were asked to share a room in their grandparents’ house, while the grandsons had to abandon their rooms and move into the (mouldy) cellar. The garage was fixed up by the sons and rented to friends for storage, and the daughter and her husband moved into the second floor so that their room would be free for tenants. In the newer house, meanwhile, the couch in the living room was replaced with a pull-out sofa, on which the other married couple would now sleep. In sum, in a matter of ten months, five rooms were made available to rent and the number of household inhabitants almost doubled.

In combination, home-based businesses, subsistence agriculture and petty rent emerge as a way to capitalize on what is often perceived as the only asset for security, stability and control left to families: the home and the property they own. As the be all and end all after unemployment, illegalization and the rollback of social provisions, private property becomes the only avenue that households have available to continue organizing for their survival. Because it is a liminal space between formal and informal, public and private, it allows for many activities that would be highly persecuted were they to be performed in the public sphere. This then, seems to be the way that households have found to resolve their combined fear of repression and surveillance while, at the same time, still insisting to continue informally: they retreat to the home.
Frances Pine has shown how in post-socialist Poland, the experience of systemic collapse and its associated breakdown of trust in institutions, politics and the state is more generally negotiated by what she terms a “retreat to the household” (2001). With the demise of the teleological certainty of eternal state socialism (Yurchak, 2001), this move constitutes both a withdrawal from public, political life and a return to traditional provisioning avenues, such as subsistence farming, informal trading, foraging and barter. Remarkable in her account is that the return to a former time appears compatible with the simultaneous entering into of a chaotic and fragmented post-fordist globalism. Although seemingly antithetical, in Pine’s account, old values and moralities can inform both the selective recovery of traditional livelihood strategies and become the motivating ideal to join a globalizing capitalism. What is more, this inconsistency comes to be a resource of meaning for those within the situation because it accurately reflects the contradictory and uneasy experiences of upheaval that structure people’s daily lives in times of crisis. A similar trend seems to be at work in our context: while people resent being pushed back into exploitations and dependencies they thought to have overcome in the past, some selective memories of these experiences have also permitted the remembrance and resurrection of livelihood practices that worked before and still do today.

Materially, rather than a straightforward reversion to old household production forms, what marks this response to austerity seems to be a simultaneous retreat into subsistence and home-based outwork, accompanied by, and often contingent upon, a drive towards new forms of income generation. In terms of morality, a complex web of meanings is spun: people value their “modern” life for the decrease in hardship and increase in comfort it provides and show no intention of letting go of these quietly. But they’re also proud of the adaptability of their livelihood strategies—their resilience, if you will, to state regulation, repression and sanctioning.

What is it that Maria’s household and the many other similar ones are trying to express? It appears to be a grappling with the possibilities for making a living, based not only on what is possible and permissible but also on what is desirable; moreover, they want to achieve this in terms of their self-conception as social and political subjects with their own personal worth. This is an ambivalent reality to inhabit. It is made no easier by the conditions of austerity that involve a public discourse that scapegoats informality, pushes policies that curtail the possibilities for formal jobs, and simultaneously criminalizes informal livelihoods.

From this perspective, it is perhaps unsurprising that the return to the home produced not only a multitude of different income generating strategies but also conflicting moralities and values. Sometimes innovative income strategies took a heavy toll on the social relations among family members, triggering stress and conflicts. This was perhaps most immediately visible among the two granddaughters struggling to share a room and operate their own businesses. These strains were often compounded by their attempts to keep paying tenants happy while, at the same time, their private time and personal space were shrinking. Therefore, the shifting articulation between the formal and the informal had not only material and normative consequences but came to directly impact the social relations among family members and house inhabitants.
Here the gender dimension of the retreat to the household also becomes particularly visible. For women especially, the ambivalence concerning tradition and modernity has always been inextricably tied to the household, in their role as mothers, homemakers and care-givers, alongside their attempts to escape such roles through waged work (Lima, 2016, Collins; 1990, Moore, 1988). Unlike what is suggested in Pine’s detailed study of the gendered dimension of the household retreat, in the case of Maria’s family, this retreat had consequences that most of the women judged as positive more often than not. Generally, this was because becoming responsible for a large part of the family income increased women’s decision-making capacity in regard to household spending. This gave them power in decision-making processes and wider avenues of discussion within the domestic sphere. Maria for example was no longer only the “manager of funds” but felt entitled to allocate them as she saw fit. Similarly, Joana felt free to make a job choice of which her uncle openly disapproved, despite his being the oldest male family member and the one who fancied himself as the “patriarch” (Joana).

While the women of Maria’s household embraced their increasing visibility in the public sphere and enjoyed the way men and husbands now appreciated their “full capacity” (Maria), they still, however, bore the bulk of the burden of maintaining the family’s survival and this also took a toll. When Maria and others’ described their situation, their pride was frequently accompanied by a mourning of the sad state of their family finances, the loss of their husband and son’s incomes and anxiety over what they felt was a threat to their family and home. Using registers of care and obligation, many highlighted the need to keep things together for the sake of their family and explained the strain that this put on their physical and mental safety. More often than not, this led to conflicts. As a general trend, shifting social relations in the face of continued material deterioration have been a structuring feature of Maria’s household and the activities they pursue within it.

Retreating Home versus Low-wage labour

It should be immediately obvious that many of Maria’s household’s livelihood strategies do not feature at all in the state’s regulatory frameworks, or, where they do, they are of a completely different nature and scale than the bureaucratic gaze assumes. But how then can we make sense of the violent intervention with which this chapter began? As an approach to an answer, I propose to leave aside for the moment the anthropological given that there is always informality (Portes & Sassen-Koob, 1987), and ask instead what the criminalization of informality is likely to do to the people who practice it. If the objective were to foreclose informality as an avenue of livelihood making, then those whose main livelihood strategy is located in informal activities would surely be forced to find other sources of income. Let us assume, as we might guess the state apparatus does, that they will seek this income in the formal realm, for example by looking for a job. In the

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12 Chapter three explores these corporeal expressions of crisis in more depth, while chapter two highlights the constructions of reciprocity and its linchpin of care during the crisis of livelihood.
context encountered in Guimarães, finding stable, long term employment in a specialized or professional setting is, if anything, a dream of the past. It is firmly located in a short period of the 1980s and 90s when the textile and service industries were booming and upward social mobility briefly appeared possible. Today though, what job might, say, a pensioner market vendor expect to find, especially when they have been pushed out of their livelihood and have a pension that does not pay enough to live on?

An insightful case in this respect is that of Joana, Maria’s youngest granddaughter, who received an offer for a service sector job in a fashion outlet in Porto and decided not to take it. With her mother and grandmother, Joana calculated it out: the offer was for minimum wage, which at the time in 2015 was 494€/month for 39 hours of work per week. She would have to work five or six days of the week, four days being full-time and two half-time, in alternating shifts. To go to Porto by train every work day with the cheapest available ticket would cost 6,20€ round trip, on at least 25 days of every month, amounting to 105€ in transportation costs required simply to reach the place of employment. With time for the commute calculated in, she would be out of the house for a minimum of 12 hours on any working day. Lunches and dinners while working would constitute another expense, estimated at at least 75€/month. The income that would remain after transport and food expenses was a little higher than her hair salon revenue, and the job held the undeniable benefit of providing social security and insurance. But, considering the length of the commute, she would have had very little time to help in her mother’s workshop, or on the land.

She decided not to take the job because, in her words, she would “feel better not taking all the risks, like with my business”. I should also stress that with this decision against formal employment, Joana is the exception and not the norm. Despite the immediately obvious shortcomings of pursuing a dead-end, low wage service sector job with a long commute, the majority of people of Joana’s generation that I met in Guimarães would have jumped at such a chance. I have hinted already, in the section on governmental morality, that people’s apprehension of the moral and normative frameworks pushed by the austerity state are articulated in a complex set of values and moralities that are decidedly distinct from those of the state (Epstein, 2014).

In choosing against the intended outcome of criminalized informality, we see Joana making a clear calculation, both subjectively and objectively, in which the merits of the return to the home are weighed against the opportunity of a wage foregone. Joana’s case constitutes an example of the manifold aspects driving people’s behaviour and choices that the state apparatus’ bureaucratic gaze can neither grasp nor apprehend. Like Joana and her elders, members of all the families I worked with continuously weighed the merits of strategies and sources of income, with the most important weight being how much it would contribute to survival and the family income. Concerns over risks and personal preference were only secondary considerations, with ‘risk’ seeming to refer to the possibility of being caught and fined for informal practices. Despite the multiple dangers and inconveniences implied in working informally at home, Joana, like her Grandmother, insists on continuing these activities. But she doesn’t refuse to do a
low-wage job because she is greedy, selfish, uneducated or lazy. She refuses because she perceives the benefit of providing to the social group she feels committed to support—i.e. her family—to be higher if she contributes at home.

Joana's case can then be seen as an example of people not accepting the kind of sanctioning that state entities assume will push them into accepting low-wage, dead-end jobs. Instead of the passive acceptance and complacency that austerity as state intervention intends, Joana's example illustrates the caring responsibility and mutual obligation that underlie the rationale for continuing to practice informally. While reflecting her personal preference, these opinions also stand in stark opposition to the logics and orthodoxies of state intervention.

**Governing Illegal Vegetables**

As I hope to have shown, the interests and needs of the household members discussed here could hardly be farther apart from what the state assumes to be what drives people towards informality. Most of the family's livelihood activities in fact do not feature at all in the state's regulatory frameworks, or, where they do, they are of a completely different nature and scale than the bureaucratic gaze assumes. The members of Marias household did not opt for informality because they were greedy, selfish or too uneducated to know the dangers and pitfalls involved. Engagement in the informal was not, the only option left to a marginalized group. Nor was it the choice of selfish individuals seeking to further their own gains. Instead, opting for home-based livelihood strategies constituted a response to an increase in state-led regulation. It was desirable because it ensured the continuance of their livelihood in a situation of increased taxation and surveillance and made possible the continued pursuit of livelihood. Despite the conflicts and inconveniences that the many new and sometimes quite ingenuous livelihood strategies caused, the insistence on an informal household livelihood shows, in fact, a sense of mutual obligation to one another.

From this perspective, the outwardly baffling assembly of intersecting informal, semi-formal, and formal arrangements found within a single multi-generational household emerge as quite logical. The return to the home in an attempt to continue subterranean activities was the result of a thoughtful calculation of risks and benefits, on the one hand, and family needs on the other. Engagement in all manner of multiple and parallel activities that were performed by various household members was thus determined by family and personal needs. These needs were negotiated within the complex interplay of self-interest and self-worth; mutual obligation and care; family solidarity; and strained financial capacities. These livelihood activities are, in short, uncertain, yet highly tactical, choices aimed more tacitly at ensuring the continuation of livelihood in spite of falling piecemeal production rates and the absence of socially secure, long term employment options.
Maria’s household, as well as the many others it exemplifies, not only gives us a birds-eye view of the current face of the livelihood crisis, but contains many themes and questions that re-emerge throughout this thesis. First, Maria’s family showcases that the livelihood crisis is negotiated by both economic categories, such as the reliance on the home as an asset, and through the complex interplay of personal worth, familial obligation, reciprocity, and social values. In doing so, they also exemplify how institutionally-pushed values are dialectically and contradictorily received on the ground. While people may be grappling with a novel regulatory setting that attempts to coerce them into obedient, tax-paying officiality, they are not, necessarily at any rate, defined by or even accepting this push. Nor is, dialectically, the state’s gaze an accurate representation of people’s livelihood-making.

Second, and in a similar vein, various interpretations of the past are mobilized in the attempt to make a living regardless of the austerity measures. While, on the one hand, even though there was a social memory of a time in which one could get by almost exclusively informally, this time was thought to have been transcended through wage labour during the Golden Age. More than anything else, the comparison with the Golden Age makes it clear to the local population that something has changed in state-led regulation and their ability to make a living, and it has changed for the worse. On the other hand, many of the time-tested livelihood practices are now illegal and impossible. This causes a second selective recalling of the Dictatorship’s structural violence and of the coping strategies from back then that have become telescoped into the present. Two backward-looking temporalities, one that glorifies a particular, short-lived past and the other that magnifies a very peculiar experience of structural violence in order to relativize today’s events.

In principle, these observations are hardly new to students of economic anthropology. However, what sets the case of Maria’s household apart from the manifold studies of livelihood among the urban precariat, the rural poor, or generic livelihood in the Global South, is their demonstrating that, despite the availability of formal employment, informality can frequently win out. Despite the excessive performances of state power, families like Maria’s continue to weigh the costs and benefits of informality against those of formality, and where they have a choice, it is often made in favour of the informal. I want to suggest that it is in this contradiction that we can locate a fundamental conundrum that structures state intervention in times of austerity: the complex orthodoxies that govern the state’s administration of its population as well as the assumptions about human nature that underlie them.

As far as the tax authority is concerned, people who work informally or run informal businesses that report none or only part of their income, do so because they are individuals seeking to further their own gain. Based on what Rose (1996) would call a new governmental morality, the designated measure to cure such selfishness was to push individuals to assume personal, material and financial responsibility for the good of the many—the body politic, if you will. If we assume that the governmental morality of the austerity state aims to instil in its population the notion of a society linked via a web of moral obligation, we can come to understand the targeting, sanctioning and subsequent controlling of those who fail at this obligation as a deterrent. When Maria and Fernando speak of the
state’s thinking they love of informality, what they are in effect referring to is the state’s
gaze upon what they supposedly do and the regulations that are based on this assumption.

These assumptions, however, have little or nothing to do with how they rationalize
their own activities and this observation is, I suggest, highly relevant analytically. For
one, it flushes out the current face of the livelihood crisis as being, in part, the result of
new forms of regulations. In other words, their crisis is rooted in the orthodoxies which
govern the state’s gaze and the gap that exists between what is attempted and what is
achieved through regulation. Because the state attempts to regulate and sanction them
based on faulty assumptions, the interventions mounted on these assumptions achieve
nothing but a dispossession of the means to livelihood. This a dramatic outcome of a
banal misapprehension. But, because they can only make a living that way, Maria and
her household still have to contend with and oppose these assumptions. What we end
up with, then, is a contradictory, probably unintended assemblage of outcomes that
have done little to achieve their stated objectives.

Informality, albeit in a different form, continues to exist. At the same time, these
interventions still do remake the possibilities of sustaining livelihood, albeit not in the
manner intended. There is a gap between what is attempted and what is achieved that
derives from the state apparatus’ incapacity to grasp the living reality of its constituents
as well as from the constituents’ simultaneous refusal to be sanctioned.

This analysis returns us to the question I posed at the beginning of the chapter, re-
garding what people mean when they speak of the “state”. As a way towards an answer,
I find it useful to recall Akhil Gupta’s (1995) suggestion and its timely reappraisal by
Krupa and Nugent (2015): the closest we can get to an analytical grasp of the “the na-
ture of the state” is by considering how citizens experience state intervention on a daily
basis. Citizens’ understanding of the state are formulated by instances of exposure to
“parts of the state” like bureaucracy, corruption or, regulatory frameworks. Assuming
for the sake of argument that this is true, then certainly the daily experience that infor-
manly working, downwardly mobile households in Guimarães have with “the state” is
one structured by criminalization and discrimination.

In fact, as the telescoping of the repressions common during the Dictatorship reminds
us, people’s daily experience of the state seems to be one of exposure to structural vi-
olence. But what does such an experience tell us about the “the nature of the austerity state”
itselF? One suggestion would be to say, as I have suggested above, that the performance
of state power is primarily intended as a sign of good will for the EU and Portugal’s in-
ternational creditors and only secondarily for those targeted. It is a performance that is
interest-driven from above, if you will. Another, and to me equally appealing interpreta-
tion, however, lies in viewing the violent interventions that austerity rendered legitimate
as the perhaps logical escalation of pre-existing governmental orthodoxies. Insofar as the
capitalist mode of production always reproduces one or more forms of inequality, it is
also always predicated on forms of division among people (Wolf, 2001, Tilly, 1999). The
permanent stress situation of austerity may ‘simply’ be a “space-time” (Harvey, 1982: 454)
in which these underlying discriminatory rationalities become self-evident; a suggestion I comparatively return to throughout the upcoming chapters.

It is important to remember, however, that the financial situation of Maria’s household continued to decline in spite of all their quite ingenious livelihood strategies, their normative insistence on their livelihood and their non-compliance with discipline. In order for Maria to be able to pay the fine incurred at the municipal market, for example, over a month’s worth of income from pensions and petty rent had to be sacrificed, and the income left from agriculture, services and petty production barely sufficed to pay the monthly bills. The grandsons were then thinking of joining their brothers in France. At the end of the day, the case of Maria and her family reminds us that it is actually material deprivation, in the sense of struggling to pay the bills or managing an unexpected expense, alongside fear for the future, that remain structuring narratives of the crisis of livelihood. When crisis is used in multigenerational households today, then, it almost refers in equal measure to an increase in state-led sanctioning, and to the exacerbation of persistent insecurity, a juggling of the little that lies within their material reach. The following chapters explore in detail the material conditions, social relations and subjectivities of the crisis of livelihood.