

# Bazaar: The Persistence of the Informal

(Origin Persian)

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#### The Bazaar as Exotica

In a celebrated scene from Monty Python's Life of Brian (Terry Jones 1979), the film's eponymous hero finds himself in a crowded market square full of petty peddlers, customers, and curious onlookers, and a bunch of wouldbe prophets seeking their publics. A fugitive closely pursued by Pontius Pilate's legionaries; Brian comes upon a stall selling fake beards. Elated at this prospect of a quick and easy disguise, he is ready to pay up the twenty shekels that the merchant asks for. Aghast at his customer's hurried compliance, the merchant insists that Brian will not get the beard unless he bargains to bring the price down. During the exchange that follows, alternating in tone between banter, complaint, and imploration, Brian gets a crash course in the time-honored art of haggling—an informal, intense, and often hyperbolic form of bargaining over price-quantity combinations. But the shopkeeper's concern about Brian's naivete, his offhand willingness to give his unfamiliar customer a crash course in shopping etiquette, indexes a social field where the buyer-seller relationship involves a bit more than just economic transaction. As conjured in this British comedy hovering between satire and farce, the custom of haggling is an essential aspect of all marketplace transactions, whether in Roman-occupied Judea or, by implication, in the seventies' Middle-East. The film puts its hapless hero, and along with him its audiences, squarely in the realm of the bazaar or the "Oriental" market, imagined as a transhistorical public space of bizarre encounters, exotic commodities, and mystifying protocols.

The Oxford English Dictionary traces the word bazaar back to the Persian bāzār, market, adopted into Hindustani and Turkish, the word comes to English via Italian bazarra (Genoese for market-place, c1340). The OED goes onto furnish three main definitions of the bazaar, all specifying the geographic







and/or fanciful association of this market-concept: 1a) "a Middle Eastern marketplace or permanent market"; 1b) "a market in a [colonial] Middle Eastern camp"; and 2) a "fancy fair in imitation of a Middle Eastern bazaar"; often in support of a charity or a religious group, or "a shop, or arcade of shops, displaying an assortment of fancy goods." The *Hobson-Jobson Glossary of Anglo-Indian Terms* also points to the Malay adoption of the term as *pāsār*, which then comes back to parts of India as a term denoting merchandise. The word's sphere of circulation, from North Africa and Turkey to Southeast Asia, roughly corresponds to colonial notions of "the Orient."

As invoked in English and other European languages, the term *bazaar* is never simply the *market*. Folded into layers of Orientalist fantasies, the term, like the Arabic souq or souk, widely conjures a public gathering of merchants and buyers, touts and brokers, even healers and tricksters. Embedded in kinship and clientelist networks, affective structures of trust and reputation, religious observations and seasonal variations, as well as archaic customs like haggling, economic transactions in the bazaar seem to be so much more—and, by the same token, so much less—than what they are in modern markets. Informality and chaos, uncertainty and speculation, enchantment and excess appear to be quintessential aspects of the bazaar. To reiterate the organizing logic of this volume: something in the bazaar does not quite translate into the modern idea of the market.

When people in Asia, Africa, and Latin America speak of the bazaar, souk, and mercato, the referent is either the bustling urban markets that have a permanent location and are open most days of the week, or the temporary farmer-artisan markets that meet once or twice a week. Writing about Bengal at the cusp of the medieval and the modern, historian Sudipta Sen records the "various kinds of markets, permanent and temporary: markets specific to products, markets of rice, markets of vegetables, temporary markets afloat on boats on the rivers of eastern Bengal during the height of the monsoon, markets secured to temples, mosques, and hospices" (Sen 1998: 5). Sen also points to the marketplaces that came up alongside seasonal melas or fairs, the convergence points of "resident and itinerant communities" (5). Sen's larger point is that "medieval Indian society" had a much more capacious sense of "wealth and power" that it "shared with other parts of the pre-modern world: rights, family honor, possession, ritual well-being, and the power to withdraw and redistribute objects of value" (4). Many of these considerations and forms continued into "the age of British expansion into India," complicating the "social life as well as the moral economy of the market" (4). Collapsing these ambiguities into a stereotype, invocations of the bazaar in the transnational Anglophone sphere invariably summon a heterotopia, a site of raucous and frenetic transactions exuding allure as well as risk.







Moreover, in the global-popular imagination, the bazaar as conceptual space frequently gets conflated with legendary marketplaces and built structures—the magnificent gateways and labyrinths of the Khan el-Khalili in Cairo, the Grand Bazaar of Isfahan, and the Al-Hamidiyah Souq in Damascus, or even Bombay's colonial Crawford Market dating back to the 1870s, with its fabulous clocktower and frieze. This perfunctory association, which grounds the romance of the bazaar in materiality sedimented over time, points to the category's liminal status.

The bazaar is, in fact, a heterotopic space in a more profound sense. As scholars of the South Asian commerce and industry have noted, in accommodating a vast range of aspirations, energies, and activities, the bazaar brings together capital and community, business and charity, the sacred and the profane (Ray 1995; Birla 2009; Jain 2012). In its extensive material-symbolic mediations between modernity's polarized realms (public/ private, rational/superstitious, economic/social etc), the modern-day bazaar presents an actually existing, operative structure for economic exchange, without having to either dissociate the economic from the rest of the social or to institute exchange value as the primary measure of everything. In fact, the bazaar would seem far more feasible than the abstract, idealized "market" of (neo)classical economic theory. More feasible, as well as more habitable; for the market, in pursuing efficiency narrowly construed in terms of optimal outcomes, and in seeking the fungibility of all things, actively works to eliminate various non- and extra-economic factors as distortion, corruption, or noise, even when such factors are crucial to the relations comprising human lifeworlds.

## The Bazaar in Modernity

Because of the historical primacy of Western modernity and its attendant social forms—key among which are the sovereign people, the public sphere and, most pertinent to the focus of this chapter, the market economy—any perspective willing to accept the bazaar as a modern, viable space for economic transactions remains occluded. Charles Taylor has pointed out that the advent of these new forms, which were constitutive of a modern social imaginary, announced "a new conception of the moral order of society" around the figure of the individual (Taylor 2004: 2). In the increasingly disenchanted Europe of the eighteenth century, with both religious and martial values on the wane, social order needed a fresh domain, and a fulcrum around which it could reassemble itself. Already the Treaty of Westphalia (1648), which privileged mercantile interests over military ones, had recognized commerce







as that domain. In posing the whole question of rationality in terms of self-interested agents, this new compact also heralded the emergence of the individual subject as the bulwark of modern social orders. The rational individual had the right to be ambitious and industrious, as well as a sense of obligation toward the collective; they entered a contract in which civility, not force, was to be the primary enforcer of order. Even with the sense of community denuded by market imperatives, a contractual civility was expected to temper unbridled self-interest, keeping aggression and duplicity in check.

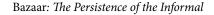
It is via such disaggregations as well as enfoldings that the market, a thoroughly self-interested, competitive domain, came to be invested with new kinds of moral authority. The assumption that the more abstract the economic contracts, and the more effective their stipulations in nullifying sociocultural opacities (social hierarchies, habits and customs, gaps in information, personal histories, etc.), the smoother the functioning of the market, became a governing principle. Emerging technologies, institutions, and instruments (statistics and projection models, laws and insurance companies, options and shares) abetted and accelerated the processes of disembedding and abstraction, grounding the market's moral authority in disinterested technicity. Adam Smith's "invisible hand" is, perhaps, best understood as a figure for this technicity.

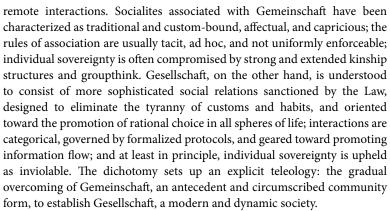
In short, the ascendancy of the modern market required a set of conceptual and institutional shifts, and the repression of anterior domains of economic transaction whose modes now stood devalued as antiquated, informal, and risky. By the time industrial capitalism came around, the European colonization of the Americas and Asia was in full swing: the "Oriental" bazaar proved to be an expedient category to encapsulate the modalities that slowed down the wondrous becoming of the modern homo economicus. What was striking was the extent to which this narrative of historical change was turned into a morality tale, with two models of the space of exchange recast in (misrecognized) civilizational terms. As Rajat Ray observes, the market/bazar dichotomy became a key element of the colonial enterprise: "the economic confrontation between East and West was perceived as a confrontation between Gemeinschaft and Gesellschaft" (Ray 1995: 449).

Translated into English as "community" and "society" respectively, *Gemeinschaft* refers to social bonds, values, and behavioral patterns that congeal out of informal, personal, and proximate exchanges, while *Gesellschaft* has to do with supposedly more evolved social relations, orientations, and actions that are based on formalized, impersonal, often









In the colonial imagination, the market was a singular expression of Gesellschaft, while the bazaar was aligned with Gemeinschaft. That the dual categories of social organization were introduced by sociologist Ferdinand Tönnies in the late 1880s, soon after the Berlin conference known as the "Scramble for Africa," is not just a matter of coincidence. The dichotomy between the idealized market and the vestigial bazaar was elaborated and played out in a series of binary oppositions—formal/informal, organized/ chaotic, networked/isolated, dynamic/traditional, industrial/artisanal, standardized/ragtag, sophisticated/basic, professional/dilettante, objective/ emotional, consistent/erratic, scientific/speculative, and on and on. The gathering resonance across these reiterations of affirmation/negation produced a sense of compulsion: since the realm of the economic had eclipsed all other sectors as the epicenter of (capitalist) modernization, vastly augmenting volumes and complexities of commercial transactions, the bedlam of the antiquated bazar had to give way to the systemic coherence, organization, and efficiency of the modern market.

While admittedly the Monty Python oeuvre lampoons everything under the sun, the film's zany depiction of the middle-eastern bazaar points to the continuing purchase of such colonial perceptions. From "universal" modernist perspectives, the bazaar ought to wither away, or gradually transform into the market; when it persists in some regions as the preeminent space of exchange, this is attributed to the unfinished modernization of those societies and the limited nature of their market institutions. In short, the bazaar is always discounted as an antecedent, partial, failed, incomplete version of the market; it is simultaneously the market's malapropism, and its eternal *not yet*.







## Rationalizing the Bazaar

Until the mid-twentieth century, academic contributions from western historians and anthropologists mostly characterized the "bazaar economy" as a system of the East, a fragmented and degraded space that has been absorbed within, and relegated to the fringes of, the capitalized world economy centered in the West. Starting in the 1960s, anthropologist Clifford Geertz began to study seriously "the bazaar economies," first in Indonesia and then in Morocco. In his understanding, bazaar economies were characterized by a very large number of small peddlers, lack of coordination and networking, inconsistent pricing, patchy accounting, and a failure to exploit untapped marketing possibilities. While proceeding from this common understanding, Geertz challenged attendant perceptions of chaos and illogic, looking instead for the singular forms of rationality that organized bazaar operations.

Drawing on ethnography conducted in Sefrou, a Moroccan town, Geertz zeroes in on information flows as a significant determinant of bazaar modalities. He argues that "in the bazaar information is poor, scarce, maldistributed, inefficiently communicated, and intensely valued"; and that most bazaar practices seek to overcome the lack of reliable information about "market possibilities," "product quality and going prices," as well as to exploit others' ignorance opportunistically (Geertz 1978: 29). Geertz isolates two "procedures" of "information search," clientelization and bargaining. The first involves the establishment of continuing relationships between buyers and sellers through repeated transactions, allowing agents to narrow down "a diffuse mob into a stable collection" of "familiar antagonists" (since clientship involves neither dependency nor patronage, but antagonistic competition for information). The adversarial nature of bazaar transactions is perhaps more evident in bargaining, which Geertz characterizes as multidimensional (entailing manipulations of quality or quantity for a certain price, or surreptitious adjustments in credit arrangements) and intensive ("the exploration in depth," via bargaining, "of an offer already received," instead of seeking out further offers) (31). Geertz's point is that seemingly shambolic bazaar operations generate certain cogent outcomes, including recognizably logical practices and institutions: bazaar economies evince their own rationality.

In his emphasis on informational constraints, Geertz was following a new generation of innovative economists who had begun to move away from the idealistic model of perfectly competitive markets to address real-life transactions in situations of less-than-ideal information and communication. Just a few years ago, economic theory seemed to have reached its apogee with the influential Theory of General Economic Equilibrium. Economists Kenneth







Arrow and Gerard Debreu had deployed complex mathematical modeling to "prove" that under certain simplifying assumptions, it was possible to figure out a set of prices such that the market for every commodity in the economy would clear, that is, the aggregate demand for each commodity would equal its aggregate supply. While such theoretical models are impressive in their rigor and sophistication, the esoteric assumptions that shore them up (e.g., perfect competition, "convex" preferences) are hardly realistic. (Arrow and Debreu 1954) Moreover, when uncertainties about future states come into play, gaps in information and communication cause some markets to remain incomplete; for instance, certain goods and services in demand are not available for transaction, with potential suppliers choosing to stay out of those markets because of underlying risks. Here again, mid-century economists proceeded from a debatable assumption: that advanced capitalist societies were capable of developing market instruments and designing contracts that would provide insurance coverage for every possible future contingency, allowing economic agents to engage in complex transactions across space and time. All markets were rendered "complete" in theory in terms of their capacity for the contractual mitigation of future risks.

For some economists who came into professional prominence in the tumultuous decades of the 1960s and 1970s, this disciplinary strategy of assuming away key questions about the market proved dissatisfying. Their experiential horizon compelled them to treat contingency, incompleteness, and disequilibrium as serious research problems. A particularly salient subset of the incomplete market problematic features transactional imperfections/ costs arising from asymmetric access to information. Situations in which one party (the agent) withholds information key to the transaction from the other party (the principal) lead to some form of "moral hazard." The challenge is to come up with contracts that provide incentives for agents to divulge more information about themselves (i.e., self-screen). A familiar instance, whose dynamics Geertz found to be akin to bazaar modalities, is provided by the interactions between the used car salesman and the buyer, the former (the agent) potentially hiding aspects of the car from the prospective buyer (the principal). The moral hazard amounts to the possible sale of a "lemon" at a price higher than what is warranted. As economist George Akerlof argues convincingly, market mechanisms may actually lead to a decline in the quality of cars available for sale over time (Akerlof 1970).

Geertz was clearly drawn to the emerging work on incomplete markets which sought to address and incorporate sociocultural factors in models of economic transactions. However, in making the gaps in information/communication the defining if not the sole problematic of bazaar economies, Geertz effectively reduced them to an archaic version of incomplete markets;







all other imperatives that animated the bazaar as a space of transactions were evacuated. The rationality of the bazaar, as presented by Geertz, was no more than a feeble and compensatory trace of market rationality.

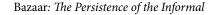
# Bazaar Genealogies

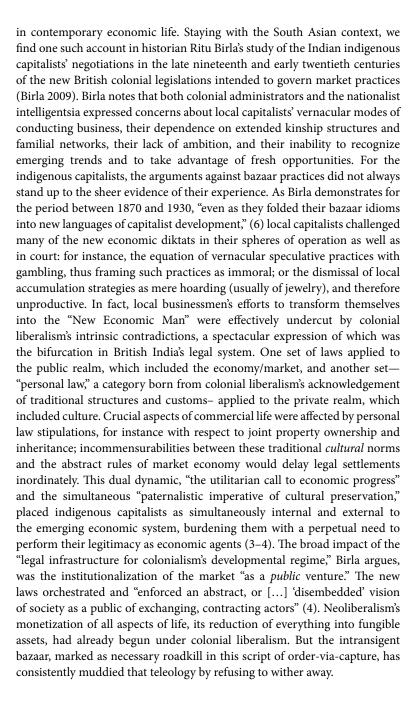
Historical evidence, argues Rajat Ray, does not support such widely prevalent notions of the bazaar as either the humble antecedent or the bastardized copy of the modern capitalist market. (Ray 1995) While Asian commercial networks had clearly not reached the levels and dynamisms of the British, the Dutch, or the French capitalist enterprises before the Europeans arrived on the scene, they did not just amount to the limited and isolated trade of local farmers, artisans, and hawkers (Geertz's starting premise). Noting the polysemic circulation of the term in Asia, Ray observes that in British India, what the Controller of Currency referred to as the bazaar was "an expanding intermediate sphere" of indigenous "commercial credit operations," situating itself between the business enterprises of European corporations and the "vast areas of subsistence agriculture and peddling trade" (455). This indigenous money market used "promissory notes, bills of exchange, and other negotiable instruments" to finance "the wholesale and forward trade over the longer distances" (452). And in addition to the bank rate of interest, the Controller of Currency regularly published a bazaar rate, with the latter dictating the financing of "the bulk of the inland wholesale trade of British India" (452-3). Even before European capitalism entered Asia, Chinese commercial operations had developed all over Southeast Asia, and corresponding Indian circuits across the Arabian sea, honing crucial skills of marine travel, "account-keeping, and the handling of money" (454). Now, these well-placed Asian merchants and financiers were able to take advantage of the new political and commercial assemblages and consolidate their operations in the overseas communities of the Dutch East Indies and British East Africa. Hence, the encounter that took place, Ray claims, was a "confrontation ... between two gesellschaften" (449).

Clearly, market and bazaar histories come thoroughly entangled, and it is difficult to make an unequivocal case for the conceptual and/or operational superiority of the market paradigm unless one is reciting from the capitalist playbook for global transformation. For the past several centuries, capitalism has been unrelenting in its efforts to universalize the market paradigm as the benchmark and endgame for all regimes of economic transaction. The historicity of those efforts tells a complex story: of the bazaar's marginalization in the modern economic imagination and its persistence













### **Bazaar Affirmations**

In stark contrast to the views of the market proponents, particularly their dismissal of the bazaar as a vestigial structure and their predictions of its impending demise, the following three examples offer evidence-based affirmations of the bazaar form and ethos, of their continuing vitality in contemporary economic and community life in most of the world.

The first affirmative instance comes from Kyrgyzstan. As political scientist Regina Spector notes, the country scores low on "global indicators related to rule of law and security of property rights" because of its "weak state capacity, frequent political instability, and high levels of corruption" (Spector 2017: 2). Spector's research reveals a surprising trend: while post-Soviet polities in Central Asia may lack rule of law, local merchants in many places have organized themselves and developed bottom-up institutions in the bazaar to bring back order and security. Spector argues that aggregative economic statistics and governance indexes, computed according to global standards, fail to recognize and account for these "local islands of order" that emerge in the bazaars where "people on the ground ... create meaningful work environments" (179–80). They do so precisely by forging norms and organizations "based on prior ideas and experiences" that, in post-Soviet societies, are very likely be at odds with capitalist market institutions (180).

The second instance has to do with the role of bazaar modes in popular culture. Art scholar Kajri Jain argues that in South Asia, the bazaar has served as a key "infrastructure" for a number of vernacular popular forms, from what is known as "calendar art" or "bazaar art" to popular cinema. (Jain 2021) From the late nineteenth century, print technologies enabled the mass reproduction of sketches, paintings, photographs, posters, and illustrated pamphlets, sold at affordable prices by vendors in the marketplace, outside temples, at the fair, and at street corners. Modern South Asian commercialpopular art emerged from these informal congeries at the intersections of commerce and religion, high and low taste cultures (Jain 2012). Despite its tremendous popularity, twentieth-century art critics and historians generally dismissed bazaar art as aesthetically impoverished and ideologically compromised (banal, derivative, crass, conservative) in comparison to the more abstract, critical-reflexive "modern art" of elite galleries and museums. Note that the commercial-popular Hindi cinema of Bombay, now known as Bollywood, has been subject to similar charges of mediocre quality, bastardized aesthetics, low levels of professionalism, and criminal connections. With the transformations wrought by globalization, the industry has faced challenges of organization, formalization, and standardization (Punathambekar 2013).







And yet, after more than two decades of far-reaching corporatizing efforts, well-established family-based production houses (Dharma Productions, Yash Raj productions) are faring much better than the relatively new entrants in the Indian media sector with impeccable market reputation (e.g., Disney India recently ended its film production operations). Elements of the bazaar live on, indeed reign, in one of the biggest global culture industries.

A third set of phenomena that affirm the bazaar as a generative space is to be found in the realm of the piratical, consisting of practices that emerge in the gap between what the state institutes as legal and what the people consider to be legitimate (Sarkar 2016). Two of the most salient piratical activities have to do with the unauthorized reproduction of media products (from books to mp4 files) that boost circulation while gnawing at corporate profits; and the recycling, rewiring, and repurposing of media technologies, which foil the planned obsolescence that companies now build into their products, often expanding what consumers can do with their appliances well beyond sanctioned uses. The pirates' sense of legitimacy is fueled by outrage over the exorbitant prices set by transnational corporations, frustration about the shrinking lifetimes of "durable" goods, and the sheer pleasure of going DIY with intricate technologies usually developed and patented in more advanced societies. The nodes<sup>3</sup> for such piratical activities which dot the global South—neighborhood repair shops, street corner convenience stores, and battery-charging stations, as well as the more itinerant VCD and pen drive peddlers and unlicensed pavement vendors—are a significant component of the massive informal economy, that largely unaccounted for material reality that forces an expansion of the conceptual space of the bazaar. Like South Asian bazaar art, "southern" piratical practices affirm the bazaar as a structure for generative transactions; and in turn, the two realms are made possible by the bazaar as infrastructure, through the bazaar's affirmative interactions.

#### Notes

- 1 How the self-interests of individuals map onto the self-interests of entire societies—or how individuals constituting a "people" develop into the rational, right-bearing citizen-subjects of modern polities, has remained an enduring problematic of political theory.
- 2 Named after the illustrated calendars that businesses give their clients as gift to mark the new year.
- 3 Sometimes the nodes appear as *chorbazaars*—flea markets or, literally, thieves' markets.









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