Bachelor Programme in Development Studies (BIDS)

The Production of Space: Spatial Considerations for the Contemporary Debate on Property and the Informal Sector

Jordan Perrault
The Construction of Space: Spatial Considerations for the Contemporary Debate on Property Rights and the Informal Economy

Jordan Perrault

Abstract:

Property rights systems and their relationship to the informal spaces are a contested and highly relevant part of contemporary development discourse. This study explores the reproduction of the concept of the informal in urban space. The central problematic of this study then departs by asking in what ways does the debate on property rights and the informal economy emerge as a representation of space? Resolving these will be achieved by examining how property is incorporated as a means of transforming social relationships, and the conceptualization of the informal and formal divide. These concepts will then be put in relation to Henri Lefebvre’s theory of the reproduction of social space.

This study presents a critique of the way that space is theorized and the way interpretations of the contemporary context are reproduced in ideologically-motivated construction of the social world. This is accomplished through an analysis of the relationship between property rights and the informal/formal conceptualization. Ideas of developing property systems and social institutions will be examined with reference to both the literature on the informal and the underlying ideology of private property rights systems. The intention is to allow a more comprehensive vision of the relationships between people, governments, and material appropriation to be examined.
## Contents

Introduction................................................................................................................................. 1
Defining Property Rights: Considerations for Property and Development................................................................. 2
How do others approach it? A Look at the Informal............................................................................. 6
  From Dichotomy to Plurality, Tracing the Term............................................................................. 6
  Different Disciplines, Different Interests, Same Word............................................................................. 8
  Separate or Together? The Informal as a Dependent Phenomenon...................................................... 12
  The Role of de Soto and the Institute for Liberty and Democracy.................................................................. 14
Towards a Theory of the Production of Space...................................................................................... 16
  Defining Space..................................................................................................................................... 16
  Harvey and Lefebvre: Space as a Keyword............................................................................................. 17
  Social Space Clarified............................................................................................................................. 20
  The Production of Space......................................................................................................................... 21
  The State.................................................................................................................................................. 22
  Considerations to Ideology and the Reproduction of Dominant Thoughts on Space................................. 24
A Methodology for the Analysis of Space............................................................................................. 26
  Form, Function and Structure:
    Operationalizing Space......................................................................................................................... 26
The informal as a production of space................................................................................................. 30
  Form and Function in the Representation of the Informal Space.................................................................. 30
  Structures as Related to Forces of Production: the State and Migration.................................................. 32
  Invoking the Informal: An Examination of Purpose............................................................................ 35
The Social Production of Property......................................................................................................... 37
Property and the Informal Economy: Considerations for Development......................................................... 41
  The State and the Informal: Sustaining a Space...................................................................................... 41
Concluding Remarks.................................................................................................................................. 42
References.................................................................................................................................................. 45

## Tables and Figures

Table 1: Interpretation of Harvey’s Matrix............................................................................................ 18
Introduction

Property rights systems and their relationship to the informal spaces are a contested and highly relevant part of contemporary development discourse. This has significant consequences in regions that deal with issues of inequality in the division of social and economic resources. The discussion over property rights in the informal, and the way that formalized systems of property can be implemented and accepted, can be interpreted as a problem of the way that rules of appropriation and division of resources are reproduced and translated in developing contexts. The consequences of this debate are significant as the dominant discourse in development studies encourages a market system of organizing social and economic relationships.

The study conducted here will explore the reproduction of the concept of the informal in urban space as it relates to academic studies. From this, a general picture of the relationship between the formal and informal, the state, and property systems can be analyzed. This demands certain considerations to the unity of space and society in developing a means of understanding the reproduction of specific modes of organization; which itself involves consideration to the role of law in development.

The central problematic of this study then departs by asking in what ways does the debate on property rights and the informal economy emerge as a representation of space?

Integral to this is reflection on the distinction between science and ideology, who’s interests are represented in the informal/formal distinction, to what purpose is the informal put, and how does property relate to social organization and the state.

Resolving these will be achieved first by examining how property is incorporated as a means of transforming social relationships. From here an analysis of the conceptualization of the informal and formal divide within the literature will be used to further generate an understanding of what is meant by the informal and what it actually is. These concepts will then be put in relation to Henri Lefebvre’s theory of the reproduction of social space. This will be supported through the theoretical work of David Harvey, and Neil Smith. This involves the generation of a methodology of analyzing space, which includes a brief consideration to the research process.
undertaken in this study. Last an analytical discussion will be presented and consideration will be
given to concerns of inequality, the heterogeneity of legal structures, prerequisites of property
institutions in market systems, and the reproduction of ideology in development debates.

This study is ultimately an exploration of the creation of a social space: the place
between the theoretical project of market fundamentalism and the daily lived experience of people. It is a critique of the way that space is theorized and the way interpretations of the
contemporary context are reproduced to fit an ideologically-motivated construction of the social
world. This will be achieved through an analysis of the relationship between property rights and
the informal/formal conceptualization. It seeks to examine the ways that the formulation of
theory (with it philosophical and ideological underpinnings) and presentation of context are
conducted in the construction of social space within the literature. Ideas of developing property
systems and social institutions will be examined with reference to both the literature on the
informal and the underlying ideology of private property rights systems. The intention is to
allow a more comprehensive vision of the relationships between people, governments, and
material appropriation to be examined.

**Defining Property Rights: Considerations for Property and Development**

The concept of property rights has seen broad application in recent development
discourse. Discussions of property rights as human rights have brought the role of international
convention into the discourse, providing arguments for the capacity of property rights to ensure
equity between people under law (Cheneval 2006). Property in this regard is almost always
private property, and plays a significant role in this study in two ways. The first is that it is only
through a concept of property that the concept of the informal can be fully understood as it is
intimately bound up with regulation, the rule of law, and the division of space. Second, in
studies of the informal sector, property rights structures have been advocated as a means of
understanding and resolving the problems of underdevelopment.

Property rights are most often exclusively defined as private property rights (Blomley
2004), and based on a model of ownership in which one has rights to or over property, and where
property is necessarily definable within certain physical boundaries. In this argument property rights are exclusively private and individual rights, with collective entities - such as corporations - treated as a singular entity. As Blomley writes, “[w]e should not be surprised by this, given the prevalence of a particular worldview, central to Western law, which offers a powerful view of law, society, and power. This liberal discourse assumes a view of rights, such as those relating to property, as belonging to atomized individuals located in a realm of private liberty, confronting a threatening collective (either the state or other institutions)” (Blomley 2004: 5). The challenge with an exclusive private ownership model is that it leaves “no space for property that is neither private or public” (Blomley 2004: 15). As this study progress, this challenge of demarcating property will become more apparent.

Property is based on a notion of organizing society in which exclusivity over things is ensured through the autonomy of judicial or enforcement institutions. As such, this enabled “the law to assume, with its robes, the postures of impartiality: it was neutral as between every degree of man, and defended only the inviolability of the ownership of things” (Blomley 2004: 6, quoting Thompson 1975). However, this has been a specific process of development and has depended on the emergence of particular institutional systems. Wu emphasizes four factors in explaining the concentration property rights: “demonstration effect of the agricultural transformation, ideological constraints, external security threats, and internal economic pressure” (Wu 1994: 199). In this way, a particular property structure is not the guaranteed outcome of a process of development. Instead it is the result of a negotiation between different factors. In urban contexts, the challenges for land titling and property right provision highlights this contradiction (Davis 2006, Werlin 199).

Within the development discourse it is important then to take this one step further to integrate the functional definition of property rights as human rights. As Cheneval argues, seeing human rights as property rights enables two things. First, rights are sought meant as inherent right of person, a distinction which allows the integrity of the individual body to be ensured, and through which the universal applicability of rights can be founded. Second, understanding property rights as human rights “highlights the responsibility of governments to
install functioning property rights systems that promote massive and fair access to property for every human being” (Cheneval 2006: 15). The role of the state becomes central to preserving individualized property. This is related to both the acquisition of rights (such as the freedom to be a potential owner), as well as in the protection of rights (such that they are, to a high degree, beyond arbitrary expropriation). In Cheneval’s justification for property rights as human rights, the body as the primary right of property, forms the basis for his argument that “the private property right is ... a universal right to the legal empowerment of everybody” (Chevenal 2006: 13). As such, property rights as human rights are necessarily universal, and present as something the state should promote, for both utilitarian and humanistic reasoning. Private property rights then are in large part dependent on an inalienable right to private citizenship; itself a concept dependent on a larger ideal of state.

In Hernando de Soto’s work property rights play an instrumental role in economic and social development, providing the opportunities necessary for widespread economic growth: “property rights make it possible to use and preserve resources, stimulate production, and guarantee the inviolability of investments and savings. They make it possible to reap the benefits of a fixed location and provide security, and are essential for the pursuing any economic activity efficiently” (de Soto 1989: 91). This is dependent on a state which maintains coercive power of enforcement, and, provides socially relevant legal structures. Property rights form a base for political governance and refer to productive rights, occupant rights, and exploitive rights, amongst others.

However, this use of property rights is not without problems, both in conception and practice.

Land tenure restructuring in Africa in the 1990s provides an example in practice. Efforts towards land titling focussed on the administrative problems of land and were linked to distribution through legal efforts, rather than the political motivated redistribution previously witnessed in many places post-independence (Manji 2006). As Ambreena Manji has argued, the intention with these tenure reforms has been to create systems of private ownership which embrace “the achievement of the rule of law and good governance as the solution to the
perceived problems of the third world” (Manji 2006: 34). The ‘main impetus’ for initiating the land reform process came from international financial institutions under the ideological goals of good governance and an efficient market economy. The intention with this can be seen as three-fold. First, liberalization land markets would facilitate the integration of agriculture into global commodity chains (including foreign ownership), second, private property rights would encourage productivity increases by encouraging investment, and third, ownership would make it easier for land to be purchased and sold (Manji 2006: 33). In practice this raised concerns over concentration of ownership, lack of access, increased land disputes, and highlighted the importance of historical context and priority of power in the debate. As well, empirical evidence suggests that while an ideal land tenure system could be transferred in written document, rule of law defies attempts to create universal templates. Legal systems, Manji argues, cannot be transplanted from one country to another without significant revision according to local context.

This highlights a particular theoretical problem in the formation of property rights structures. This poses a challenge to some of the development literature, wherein ideological influences have transformed the debate into one where property rights carries a very specific set of political, social, and economic implications. In practice this is carried through in the discourse of good governance and the practice of slum upgrading projects worldwide. Outcomes of titling projects in slums have had varying results, but often the positive outcomes are restricted to a few. As Davis explains, “[t]itling, in other words, accelerates social differentiation in the slum and does nothing to aid renters, the actual majority of the poor in many cities” (Davis 2006: 80). With property rights, comes property markets, and depending on intervention and regulation this can create new, and bigger, problems for residents.

While using a concept of private property rights as human rights can be an effective tool for understanding what ought to happen, it is ineffective in understanding how things are happening. Likewise, the ideology of good governance and rule of law has provided a template intended for application across contexts. This dodges the challenge implied in opposing political and economic ideologies, thus simplifying and depoliticizing development discussions. The formation of the rule of law and the state are seen as just another component part of fixing
development. This stands in contrast to the idea of a contested process of forming and legitimizing social institutions as integral to a process of development in itself.

How do others approach it? A Look at the Informal

From Dichotomy to Plurality, Tracing the Term

The origins of term informal are most frequently traced to the 1970’s and the studies of Keith Hart in Ghana (1973) and the ILO in Kenya (1972). The early studies referred almost exclusively to informal as a concern of labour. As time has progressed, the depth of the concepts has increased - as has its ambiguity. Depending on the intention of the study, the informal takes on a variety of different meanings, standing in concrete opposition to the formal or seen as an integral part. Variations in definition relate in part to the different approaches to the study of the informal sector as a subject. Below some of the dominant trends within the literature on the informal will be examined and discussed.

For economics, the dichotomous image of a dual sector economy - as originating in the work of Arthur Lewis - is paramount (Lewis 1954). His primary concern was with how surplus labour, ‘the unlimited supply of labor’, is absorbed into the modern industrial economy. Lewis doesn’t actually refer to formal and informal, his dichotomy appears as the capitalist sector - “that part of the economy which uses reproducible capital, and pays capitalists for the use thereof” - and the subsistence sectors - “by difference all that part of the economy which is not using reproducible capital” (Lewis 1954: 146-147). This acts as the early definition of underdevelopment. The desired outcome of the process of economic development then was a clear march towards a modern capitalist sector, as “more capital becomes available more workers can be drawn into the capitalist from the subsistence sector, and their output per head rises as they move from the one sector to the other” (Lewis 1954: 147). His descriptions of subsistence economies, the march towards capitalization, and surplus labour can be traced in writings today - right down to the language. As the language has transformed into the informal/formal, the
dominance of the capitalism as a means of economic organization has become assumed into the formal.

The dual-sector model of development has been maintained to large extent throughout the discussion. While there have been extensive critiques and alternatives proposed (Bromley 1978, Moser 1978, Castells & Portes 1989). Alternative visions encourage a perspective of urban labour markets as stretched along a continuum of productive activities and highlight the interdependent aspects of the two. Despite these effort the dominance of the division remains in both terminology and the discourse on urban space.

The dichotomous division and emphasis on employment was maintained in the earliest writings on the informal, with the sector being seen as the alternative form of employment. The much cited ILO report of Kenya (1972) concludes “vigorous action must be taken to facilitate employment and raise incomes in the informal sector, where the migrant will seek a livelihood if he cannot find wage employment through the formal recruitment system” (ILO 1972: 222). The constraining force to this, which is an argument maintained in various literature to this day, lies in government’s attitudes which “contained too few elements of positive support and promotion, and too many elements of inaction, restriction and harassment” (ILO 1972: 226). There are two significant considerations from these early studies of developing contexts. First is that dual standards of regulation prevented improvement in the standard of living for the majority of people. Second is that informal sector activity is linked to ‘shanty’ towns, to informal (and outright illegal) settlement. Maintaining roots in the capitalist/subsistence division, the development of the informal as a concept can be seen to continue to refer to a whole secondary space - one removed from, but in some ways linked to the central capitalist economy and dependent on regulation for its formation.

However, from an early stage there was also challenges to the perspective that the informal represented a dead space of economic underdevelopment. Hart in his 1973 study asked, “[d]oes the ‘reserve army of urban unemployed and underemployed’ really constitute a passive, exploited majority in cities like Accra, or do their informal economic activities posses some autonomous capacity for generating growth in the incomes of the urban (and rural) poor?” (Hart
That the informal is a source of economic potential is an idea that has become prominent especially in the last twenty years with advocates such as Hernando de Soto (1989, 2000) arguing that the informal represents a true source of entrepreneurial activity. It is important to note that until the 1980’s the informal was largely regarded as a developing country phenomenon, and only since then has it begun to play a central role in discussions on developed or industrial economies as well (Portes et al. 1989, Sassen 1994).

As time goes on the informal/formal has been adopted as an instrumental concept, especially in reference to policy. This is in part due to how it is related to state intervention and regulation. As Sindzingre notes, “international organizations have had a crucial role in the expansion and shaping of the concept. These have given rise to studies of the informal sector that were determined by political and policy goals” (Sindzingre 2006: 63). This has been accompanied by a shift in perspective where the informal is seen as “anything other than a ‘parasitic’, ‘unproductive’ form of ‘disguised unemployment’” (Chant 2008: 221). As Gurgha-Khabsnobis et al. conclude, the “positive conclusion is that we can fruitfully use the terminology, formal–informal to characterize a continuum of the reach of official intervention in different economic activities, especially since official statistics already use variants of such a criterion” (Gurgha-Khabsnobis et al. 2006: 18). Considering the diversity so far examined, from its conception to now the informal as a term has played a different role in different research.

**Different Disciplines, Different Interests, Same Word**

The diversity of studies of the informal can be broadly classified as political, social, and economic (Harding & Jenkins 1989). However, within these studies the diversity of concerns can be further classified into sub-criteria (Gërëxhani 2004). Doing so demonstrates the complexity that the subject of the informal has gained over time. Political studies emphasize government regulation, illegal activities, and national statistics. Economics literature has been perhaps the most pervasive, with 6 different sub-criteria related to research. These sub-criteria are status of labour (undeclared, lack of benefits, sub-minimum wages), unreported income, size of activity and firm size, professional status (including self-employed, family labour, and domestic
servants), regulation/registration of activity, and national statistics or GNP accounts. The category of social involves three sub-criteria that highlight the relationship between social activity and organization within informal activity. Studies dealing with social factors relate to social networks and ease of entry, autonomy and flexibility (including labour and business), and survival (especially in developing contexts). However, while the sub-criteria on their own highlight significant aspects of the broader literature, very few can be said to be concerned with only one of these. Most studies adopt a combination of these when discussing the informal. Castells and Portes (1989) use nine of the twelve criteria in defining the informal (all but national statistics and survival), while Hart (1973) uses only three (status of labour, professional status, and social networks).

The combination of classifications enables various perspectives to emerge in relation to the subject. What appears through this discussion is the penchant for different research to look at the informal differently depending on the discipline from which they operate. From Gërëxhani’s study, in relation to less developed countries, government regulation, labour market status, and activities size are persistent areas of interest. The picture that emerges from this is that the informal is dominated by small firms (less than 10 people) engaged in activity that lays outside of regulation (or as a direct consequence of regulation), and marked by labour that is underpaid, without obligatory social benefits, and failing to meet wage and safety standards.

A second distinct point that Gërëxhani brings up is the differences between countries in terms of causation and motivations for the informal sector. She argues that “[c]ausal observation suggests that its nature differs significantly among countries with different structures ... [and] that this country distinction is very important in understanding the dynamics of the informal sector” (Gërëxhani 2004: 268). The interrelationship between state institutions and the informal sector emerges as a significant determinant of the size and persistence of informal activity and raises attention of factors such as trust in government, simplicity of compliance to tax system and regulation, enforcement.

Studies approaching the informal from an anthropological or sociological perspectives seek to understand the way that forms of organization and activities emerge from a cultural-
specific origin. Throughout the anthropological and social literature the role of groups has been emphasized, with many concluding that the informal has been seen to offset or augment state power, and poses some potential as an alternative to the state-lead development model (Aminova & Jegers 2011, Hart 1973). Anthropological studies often adopt a specific networks theory approach. This can be seen in the work of Jason (2008) and Meagher (2010), in which social dialogue is central. Keith Hart, working from this field, continues to be influential in the informal/formal discussion. In a recent article (Hart 2005), traces the informal/formal divide historically, looking to the conception of ownership, trade, private property rights and enforcement as the foundation from which the modern conception of state-capitalism emerges. In this way the idea of the informal sector is placed in relation to a cultural specific form of organization - state capitalism - and as such is not a natural phenomenon but a social one. His perspective allows for a broader understanding of the complex relationship between formal and informal, in particular where livelihoods are generated between the two. Accordingly, the informal/formal split is based on the division of state and people, with - in Harts perspective - impersonal relations of exchange dominating the formal sector and personalized systems of exchange - such as family and closed networks- persisting in the informal. Hart makes a significant point in arguing that “the ‘formal sector’ is likewise an idea, a collection of people, things and activities that share an idea; but we should not mistake the idea for the reality that it partially identifies” (Hart 2005: 10).

Literature that deals with the field of economics seeks to explain informal development through various mechanisms. Theoretical considerations here focus on inequalities, incentives, labour wages and flexibility, barriers to entry, taxation, institutional theories, and the integration into national economies (Krstic & Sanfey 2010, Parente & Prescott 2002, King 1996, de Soto 1989, 2000, Thomas 1995). A key focus of economics literature is the measurement and accounting for the informal sector in the national economic figures. The definition of the informal becomes paramount and takes shapes as classifications of economic activities and adherence to tax law. As well, within economics literature regulation plays a dominant role. As Johnson et al (1997) show empirically in transition countries, the more prevalent government regulation is, the larger the informal sector will be. Empirical evaluations within this area are
frequently characterized by holistic and extensive theoretical models, such of that of Harding and Jenkins (1989) who seek to demonstrate the integrated relationship between formal and informal, or Renooy (1990) who sets out to distinguish the divide through 13 distinct features. Consequently he concludes that “the informal economy does not exist as such. It only manifests itself at different times, in different places in different ways” (Renooy 1990: 113, author’s emphasis). This brings a key consideration to the differentiation between the informal as a temporary phenomenon vs informal as a permanent and distinct entity.

Running through much of the literature in economics is a strand of new institutional theory (Sindzingre 2006, Wu 1994, North 1981). Theories that incorporate this perspective focus on the importance of property rights, state intervention/formation, and the structure of social and political organizations. This literature has a broad emphasis on economic agents and the development of a business and entrepreneurial class. As well, it often emphasizes, at least in developing contexts, the relationship between lack of formal opportunity and expansion of the informal (Thomas 1995). As well, property rights here form a key part in explaining the formation of informal activity and the barriers of entry into formal sectors.

A distinct study of the informal as linked to spatial settlement and residence has appeared over the last 40 years. Often a distinct realm of study, informal residence reflects a broader role of spatial organization in urban settings (Davis 2006). A key challenge here is that informal dwellings ranges from improvised shelters to well established residential buildings. This literature variously focuses on housing construction and exchange (de Soto 1989, Fawaz 2009), and seeks to highlight the differences and similarities between housing development in the informal or formal. A significant consideration of this literature relates to the intervention and incorporation of informal housing into the formal market or to the demolishing and upgrading of settlements (Werlin 1999). Upgrading and intervention has gained prominence with the advocacy of international organizations such as UN-HABITAT and the World Bank (Davis 2006, Werlin 1999). Ultimately, informal housing does not represent a unique phenomenon in a broader discussion of the informal. Rather, it plays a distinct role in the development and spatial organization of informality, and reflects the same processes that are
linked to informal employment and business - often with state involvement (Dorman 2009). Particularly this relates to the state planning and regulation of urban space (de Soto 1989, Yacobi & Schecter 2005).

A central problem in the study of the informal as subject has been the unresolved definition of the informal sector itself. Research like that discussed here demonstrates the extensive ways in which conceptualization of the informal/formal divide can be stretched. Sociology studies tend to treat the informal as a more complex part of a wider social phenomenon of organization of society, while the economics literature exhibits a tendency to treat the informal as a natural category with tacit ontological boundaries. Therefore, approaching literature that deals with the informal must come with acute attention to the theoretical tradition from which the article is derived. Understanding the persistence of the informal in academic research requires consideration to the how the two are perceived as linked or divided.

**Separate or Together? The Informal as a Dependent Phenomenon.**

From a development perspective, Sylvia Chant’s (2008) review of the literature on the informal sector and employment points to regulation as the “single most important factor which persists in contemporary definitions of the informal sector” (Chant 2008: 216). Regulation relates to informal sector in three ways: (1) legal recognition of business activity, (2) legality concerning payment of tax, and (3) legality *vis-a-vis* labour matters (such as compliance with safety and wage standards) (Tokman 1991: 143). From a costs analysis these different regulations will impact informal activity in different ways (social security payments being the most costly).

Chant highlights the difference between the growth of the informal as pro-cyclical (with its health depending on the health of the formal) and counter-cyclical (with informal expanding during period of slump). She argues that the “years of crisis and restructuring since the early 1980s have made ever more visible the interconnectedness of the formal and informal sectors, and in particular, the dependence of the latter on the former for contracts, supplies and economic viability” (Chant 2008: 220). Thomas (1995) highlights the linkages between the informal and
formal sector. Forward linkages include subcontracted labour and the production of cheap goods for formal consumption, while backwards linkages include informal vendors who sell formal products or the informal production of goods with formally produced components. These linkages, though arguably reflective of increasing opportunity, are frequently seen to be exploitive (Portes and Itzigsohn 1997). The linkages discussion highlights the tension between the ability of surplus labour to be absorbed in the informal sector - an intentional strategy used in some contexts (Standing 1989) - and the ability of the formal to generate stable employment opportunities (Portes and Itzgisohn 1997, Thomas 1995).

Castells and Portes (1989) have played a significant part in theorizing the informal beyond the dichotomous divide. Their writing reinforces the idea that the informal is not a peripheral phenomenon, but rather a significant part of all economies, and as such, is dependent on the formal not just for its conceptual definition, but also for its function, growth, and pervasion. In defining the concept they adopt a flexible approach, arguing “that since the informal economy does not result from the intrinsic characteristics of activities, but from the social definition of state intervention, the boundaries of the informal economy will substantially vary in different contexts and historical conditions” (Castells & Portes 1989: 32).

Central to their discussion is the term informalization, which can be seen in some contexts as the result of the economic restructuring of the 1970s and 1980s - often under the guidance of structural adjustment programs - which has resulted in labor moving underground. The result of the expansion of informal activity is the increased presence of decentralized networks of production and distribution in horizontal organization forms. Significantly changing production patterns have changed the processes of income-generation; a consideration which challenges Lewis’s dual sector development model which assumes economic development is accompanied by the creation of new opportunities through capital accumulation in the formal sector and the gradual absorption of surplus labor by formal industry.

Portes and Castells formulate a significant argument for the role of perception in understanding the informal economy. For them, there is a distinction between what is defined as socially illicit (criminal) and what may be socially permissible but illegal (informal). They argue
that there is a triangular relationship between the formal, the informal, and the criminal, wherein there is two way flow between each point. The classification is based on the final product and not the process of production. This can prove valuable in a discussion of varying social contexts, as well as the potential for seeing the shifting boundaries of each category as social and political perceptions change; yesterday’s illegal is today’s informal is tomorrow’s formal.

The Role of de Soto and the Institute for Liberty and Democracy

One of the primary works under study has been Hernando de Soto’s *The Other Path: The Invisible Revolution in the Third World* (1989). This work features prominently as it is not only considered a seminal work that relates property rights and the informal economy, but because it is through this work that a lot of the theoretical debate on property and development has been framed. His central arguments can be used as a reference point, both for how the informal is conceptualized, and also for seeing the larger ideological debates that pierce the contemporary paradigms in mainstream discourses of development.

From *The Other Path*, there are several key arguments that emerge. His central thesis is that the history of the informal is one of a gradual attempt at securing property rights. The most instrumental assertion put forward, especially in regards to the creation of informal settlements, is that despite this sector existing almost entirely exterior to the law and state regulation in its initial stages, it is still spaces of complex regulation and service provision. The central actors in de Soto’s argument are people involved in a ‘long march’ towards “markets which represent the people’s aspiration to obtain secure private property in order to conduct business in a favorable environment” (de Soto 1989: 91). Marginalized, they seek their own way of improving their situation. De Soto writes that in the course of research the ILD “found a set of extralegal norms which did, to some extent, regulate social relations, offsetting the absence of legal protection and gradually winning the stability and security for acquired rights” (de Soto 1989: 19). This specific set of ‘extralegal norms’ has “been created by informals to regulate and order their lives and transactions and, as such, is socially relevant” (de Soto 1989: 19). This is manifested in a variety of different collective forms, often dependent on the illegal settlement or occupation of land by groups.
From this he concludes that property rights are a central part of explaining the formation of informal sectors. He proposes that by looking at the complaints of the ‘informals’ themselves, the current property rights system, and the security it fails to offer, emerge as a central explanation for why people don’t participate in formal activity. This results from inequity under law. As de Soto argues, “it is simply untrue that, in Peru, we are all equal before the law, because no two people pay the same tax, no two imports are taxed in the same way, no two exports are subsidized in the same way, and no two individuals have the same right to credit” (de Soto 1989: 195). In this way the informal economy is presented as an alternative form of organization in which equity between parties is somewhat more present and rights and regulation have a base in their social relevance. In other words: a secondary system of social and economic exchange validated in its acceptance by those who participate in it, and standing in contrast to the exclusive system embodied in the formal economy.

Several criticism of de Soto’s work have been formulated. His classification of the informal has been criticized as an oversimplified construction of a creative space of ingenuous entrepreneurs. As well, he has been criticized for the policy conclusions of market deregulation and state withdrawal. A critical consideration, as Chant articulates, is that a “set of problems arises from the potentially perverse implications of proactive informal-sector policies. One outcome of advocating decontrol of economic enterprise is that a precedent is set for greater deregulation of the formal sector. This in turn contributes to broader processes ... to liberalize production and markets in developing regions, which have often bee harmful to low-income groups” (Chant 2008: 222). As he is a significant contributor to the dominant discourse of mainstream development, his ideas carry a specific weight that can’t be ignored. Therefore as this study proceeds, reference to his ideas, and the assumptions that underpin them, will frequently be made.

To summarize, there are few factors that persist throughout the literature on the informal economy. In terms of definition, the informal is understood to be somehow related to state regulation. Whether it is distinct from or dependent on the formal remains unresolved. However, from the literature reviewed it becomes apparent that it exists most prominently as a
category; though it doesn’t refer to anything consistently. Rather, it is associated with a series of economic and social practices that are highly correlated to migration patterns and almost always present in urban spaces. As empirical estimates of the informal in developing countries suggest that a majority of people have in some way worked with or in the informal sector, the distinct notion of a formal economy as the central economy necessitates critical consideration.

Towards a Theory of the Production of Space

*Space is a means by which to bind as well as separate, to include as well as exclude, and precisely by bringing to life a critical conception of space, he provides some of the tools for decoding the spatial metaphors that “script” our efforts to integrate, negotiate, and theorize different “positions.” This is the brilliance of “the production of space”* (Smith 2008: 228)

Defining Space

At the time of writing *The Production of Space* in 1974, Lefebvre was attempting to develop a theory that would allow genuine knowledge of space to be derived. His argument was that while previous spatial analysis had sought to develop a ‘science of space’, it failed to achieve analytical status or develop explanatory theory. Rather it had become muddled, collapsing the analytically necessary distinction of space in a reductionist approach that exemplified the “very strong - perhaps even the dominant - tendency within present-day society and its mode of production ... [wherein] intellectual labour, like material labour, is subject to endless division” (Lefebvre 1991: 8). If a goal was to be derived from *The Production of Space*, it would be the reconciliation of space as a coherent theoretical tool through the unity of society and space (and not the distinction of society in space). Space then plays an active role in any analysis.

To Lefebvre, the sought after ‘science of space’ carries three key failings. First, “it represents the political (in the case of the West, the ‘neocapitalist’) use of knowledge;” second, “it implies an ideology designed to conceal that use;” and third, “it embodies at best a technological utopia, a sort of computer simulation of the future” (Lefebvre 1991: 8-9). Ideology
is carried into the process of research under the guise of scientific principles (‘theoretical practice’) while concealing the tendency towards, on the one hand, knowledge serving the interests of sustaining the dominant mode of production, and on the other, the reproduction of the modernist notion of a technological utopia (from architecture to urban planning).

Alternatively, Lefebvre proposed a means of understanding space as produced, resulting from a process of production that is historically contingent. The primary distinction is that space takes on an active role. In particular, Lefebvre presents the concept of a social space as cognizant of implied, contained, and disseminated social relationships. Space emerges as both product and a means of production. Seeing it as such relies on a conception of space that is both material and immaterial, absolute and relative.

**Harvey and Lefebvre: Space as Keyword**

David Harvey has argued that it is “crucial to reflect on the nature of space if we [are] to understand urban processes under capitalism” (Harvey 2006: 120). With this in mind he proposes two critical possibilities for space as an analytical tool. First it “opens up ways to identify conflicting claims and alternative political possibilities,” and secondly, it “invites us to consider the ways we physically shape our environment and the ways in which we both represent and get to live in it” (Harvey 2006:139).

Harvey presents a three-part way of conceiving spaces as *absolute* (space unto itself), *relative* (objects existing because they exist with relationship to other objects), and *relational* (existing only insofar it contains and represents relationships to other objects) (Harvey 2006: 120). Absolute space is fixed, it is the space of property demarcations and city plans. Relative space “is relative in the double sense” (Harvey 2006: 122). The first involves measurement: the scale but also the means. Second, it requires consideration to the argument that all forms of measurement depend upon the framework of the observer. In social geography, this demands consideration to the rules and laws ascribed to a particular phenomenon. Consequentially, as Harvey argues, “[c]omparisons between different spatio-temporal frameworks can illuminate problems of political choice” (Harvey 2006: 123).
In this study, for example, the concept of property can be given spatial form in these three ways. Perception of property changes, and in many ways becomes more contestable, as we shift from absolute to relational space (the realm of rights and privileges in an abstracted sense - my house is owned but rented to you). Property in absolute space has a boundary, but at the relative and relational level, the introduction of political subjectivity and consciousness challenges these boundaries. A deep reflection of how property can be operationalized in practice depends, therefore, on consideration to all three material spaces.

In developing a complete conception of space Harvey seeks to expand his ‘real’ categories of the material world into the ‘virtual’ categories of social and mental space. He does so by means of a comparison between his three categories (absolute, relative, and relational) and the three categories of space proposed by Lefebvre (spatial practice, representations of space, perceived, conceived, lived/ experienced).
and representational space). Using a 3X3 matrix, Harvey develops nine distinct intersection each suggesting “different modalities of understanding the meanings of space” (Harvey 2006: 133). A modified version of Harvey’s original table is seen in figure 1. In this way property, for example, can be understood not just as a demarcation of absolute space, but a representation of space in relative sense (through a symbolic property document), and a representational space in a relational sense (private ownership and control marked by the construction of a gate).

Looking to Lefebvre’s terms, a deeper picture of space and society emerges. His classification of space are revealed as, (1) spatial practice, “which embraces production and reproduction, and the particular locations and spatial sets characteristic of each social formation;” (2) representations of space, “which are tied to the relations of production and to the ‘order’ which those relations impose;” and (3) representational space - “embodying complex symbolisms, sometimes coded, sometimes not, linked to the clandestine or underground side of social life, as also to art” (Lefebvre 1991: 33). This can alternatively be understood as a perceived-conceived-lived triad, thus emphasizing the centrality of human experience of society.

Spatial practice can be said to embody “a close association, within perceived space, between daily reality (daily routine) and urban reality (the routes and networks which link up the places set aside for work, ‘private’ life and leisure)” (Lefebvre 1991: 38). Representations of space, or alternatively conceptions of space, “tend, with certain exceptions ... towards a system of verbal (and therefore intellectually worked out) signs” (Lefebvre 1991: 39). While these are frequently abstract, “they also play a part in social and political practice: established relations between objects and people in represented space are subordinate to a logic” (Lefebvre 1991: 41). Representational spaces, the realm of material symbols and constructed architectures, is space “as directly lived through its associated images and symbols” (Lefebvre 1991: 39 author’s emphasis). Representational space, unlike other spaces, “need obey no rules of consistency or cohesiveness ... it is essentially qualitative, fluid, and dynamic” (Lefebvre 1991: 41-42).

---

1 In Harvey’s analysis he changes spatial practice to material space. While this does change the implication slightly (spatial practice implies space as produced, material implies autonomous space), it brings clarity in communicating the topic and as such material space will be frequently employed. As well, harvey use spaces of representation as substitute for Lefebvre’s representational space. While the implication is the same, as to avoid confusion with representations of space, the representational will be used.
By incorporating Harvey and Lefebvre’s conception of space, a framework for analyzing social phenomenon develops. For example: if a house (absolute material space) is bought formally (relational representation of space) and experienced as a secure investment (lived experience in a relative space of representation), then this could imply that illegal land occupancy (material relational space) is lived and experienced as insecure (representational material space). Potentially, by transforming the space of occupancy, by altering the relative representation of space (property system) a different lived experience of space may be achieved.

Whereas Harvey’s categories give reference classification of space, Lefebvre’s categories are intended to deal with the genesis of space - the production of space itself. Through this, the experience of space is understood as part of a process of contestation over space.

Social Space Clarified

There demands a specific consideration to the term social space. In Lefebvre’s usage, “social space is a social product” (Lefebvre 1991: 26, author’s emphasis). Social space can be said to be immediately concerned with the reproduction of society, or of a particular society (that dominated by social relations of capitalism). Lefebvre argues that:

“The initial basis or foundation of social space is nature - natural or physical space. Upon this basis are superimposed - in ways that transform, supplant or even threaten to destroy it - successive stratified and tangled networks which, though always material in form, nevertheless have an existence beyond their materiality” (Lefebvre 1991: 402)

Social space is then understood to be a social relationship, one that is based in the material world but ultimately not defined purely vis a vis its materiality. It is variously reflected through spatial practice, representations of space, representational space.

Social space is used in explaining the combinations of social relations that dominate a specific mode of production (capitalism). As such, social space takes on a specific definition in relation to the structures and relationships inherent in a capitalist form of social and economic organization. Ultimately, social space is both produced, and a means of production, something that will be elaborated further below.
The Production of Space

It is with the production of space that human practice and space are integrated at a conceptual level. Space is said to be produced in the social sense through the investment of social relations and symbolism into geographical territory. By way of social actions, “society no longer accepts space as a container, but produces it; we do not live, act, and work “in” space so much as by living, acting, and working we produce space” (Smith 2008: 116). For example transposing a concept into geographical terms, as represented in maps and networks of transportation, is one way to produce a space. As such, the production of space comes with implications for the production of “meaning, concepts and consciousness of space which are inseparably linked with its physical production” (Smith 2008: 107).

As well, the transformation of modes of production produces new spaces. Since “each mode of production has its own particular space, the shift from one mode of production to another must entail the production of a new space” (Lefebvre 1991: 46). Spatial forms then come to reflect the “clear imprint of the society which uses and organizes this space” (Smith 2008: 106). As old structures and organizations are transformed, new spaces emerge that reflect the dominant social relations.

Space is produced, and as such takes on the attributes of a commodity. The consequence then is that space can be understood both as the product of social production, but also as a means of production. The city itself, as a material construction, can be seen as a commodity. It is replicable, the result of repetitive actions with repetitive tools, and homogenous to the extent that it can be exchanged (bought and sold). However, the city as a product is situated within a space that is not produced as the city itself is (with plan and order, fluidity and coherent form). The urban space, as Lefebvre argues, “cannot be separated from a vaster space, that of a system of commercial exchange” (Lefebvre 1991: 76). This ‘vaster space’ is the social space, the abstract space of capitalism. The study of the city then, as well as the study of the transformation via the dominant mode of production, generates the impetus for the concept of the reproduction of social space.
Expansion of capitalism on the global scale necessarily involves “spatial integration—the linking of commodity production in different locations through exchange” (Harvey 1982: 375). Neil Smith argues that the process wherein growth was made possible via the dominance of a capitalist mode of production was achieved by “by occupying space, by producing space” (Smith 2008: 123, author’s emphasis). Simultaneously the process of production involves the accumulation of commodities, including labour, into spatial concentrations. Insofar as the concentration of space in a network of capitalist exchange is concerned, the “so-called shrinking world is not merely an effect of generalized progress of modernization but the specific necessity of the mode of production based on the relation between labor and capital” (Smith 2008: 127). Consequently, as Neil Smith asserts: “[u]neven development is the concrete manifestation of the production of space under capitalism” (Smith 2008: 122-123).

As the persistence of a dominant social space under capitalism encourages a specific way of organization. The expansion of global commerce has formed a wider social space, a development in which “every single site had to be planned and realized by people - by political ‘chiefs’, by groups supporting them, and by those who performed the work of construction itself” (Lefebvre 1991: 76). It can be argued then that there is no direct causation between any single factor and the production of space, rather it is the work of a combination of groups of people, economic and social structures, and states.

The State

Space, as it has been described here, is dependent on the historical evolution of the nation state. As Neil Smith describes, the original conception of state was in direct response to class distinctions and private property. Its function was to arbitrate the conflicts in favor of the ruling class while presenting itself as “above” society: the state “created a public force which was now no longer simply identical with the whole body of the armed people” (Smith 2008: 109). With this role the state “divided the people for public purposes, not by groups of kinship, but by common place of residence. . . . In contrast to the old gentile organization, the state is distinguished firstly by the grouping of its members on a territorial basis.” (Smith 2008: 109,
author’s emphasis). The organization of geographical space, such as the city, is then seen as a production of space arbitrated by the state.

For Lefebvre first, “nationhood implies the existence of a market gradually built up over a historical period of varying length ... The outcome however, is much the same everywhere: a focused space embodying a hierarchy of centers” (Lefebvre 1991: 112). Second, “nationhood implies violence - the violence of a military state ... it implies, in other words, a political power controlling and exploiting the resources of the market or the growth of productive forces in order to maintain and further its rule” (Lefebvre 1991: 112). The combination of economic growth and violence combine to produce “the space of the nation state” (Lefebvre 1991: 112).

A critical element in this theory of state is the distinction between dominance and appropriation. In ideal cases, Lefebvre maintains, the outward community space, is the domain of domination, while the private is the domain of appropriation. However, to the extent that the distinction between private and public can be maintained, when brought to conflict, appropriated spaces are always subsumed to the dominated spaces. The domination of space is dependent on the process of abstraction, of turning the material space into a space of relations, relations dominated, in the case of capitalism, through violence and the consolidation of the state: “[d]omination has grown pari passu with the part played by armies, war, the state and political power” (Lefebvre 1991: 166).

Space can dominate, or be dominated, in two ways: (1) as a primary producer and reproducer of social relations, and (2) as a source of oppressive violence. One facet of the production of abstract space is “a general metaphorization which, applied to the historical and cumulative spheres, transfers them into that space where violence is cloaked in rationality and a rationality of unification is used to justify violence” (Smith 2008: 226). The dominant space of capitalism, referred to as the abstract space, is reproduced through a process wherein concrete space is turned into relative and relational space. The unity of these space, even when not coherent, is then reinforced through violence.
As Lefebvre proposes, “[a]bstract space, the space of the bourgeoisie and of capitalism, bound up as it is with exchange (of goods and commodities, as of written and spoken words, etc.) depends on consensus more than any space before it” (Lefebvre 1991: 57). He goes on to argue that different institutional forms depend on different means of survival, more democratic ones “rely on the force of inertia to ensure their survival; others look to power and violence” (Lefebvre 1991: 417). The reproduction of social space, through the domination of absolute space, must then be understood as a reproduction of social relationships that are reinforced by the state and its power via violence.

The challenge is that it assumes the state as the dominant form of disseminating power and control. However, in the contemporary context, the increased role played by multinational corporations and international institutions (such as World Bank, International Labour Office, etc) this must in part be reconsidered. As states are dependent on international aid, commerce, and finance, international intervention in policy must also be considered for the unique way it affects the reproduction of social space across national borders.

**Considerations to Ideology and the Reproduction of Dominant Thoughts on Space**

The reproduction of social space, and the production of material space, are said to be inseparably linked with the expansion of a dominant ideology. This is an ideology disguised as science (Lefebvre 1991: 106), which, while claiming some element of autonomy from the subjective, is itself a product. Thus for Lefebvre the theory of the production of space comes with a distinct need to reverse the reductionist tendency to view mental and social space as separate (or that the mental encompasses the physical and social realms). Science, as a philosophical-epistemological project, is criticized as being infused with a “powerful ideological tendency” which expresses “in an admirably unconscious manner, those dominant ideas which are perforce the ideas of the dominant class” (Lefebvre 1991: 6). This means of conducting science comes with significant flaws which may be resolved through reversing the reductionist approach; through the unity of space and society.

While this proposition opens up a significant philosophical and epistemological problematic, it is significant for the study conducted here in two ways. The first is how ideology
as it pertains to a dominant set of assumptions of space - is reproduced through the production of informal space. In this way, property rights structures are intimately related to the reproduction of social space. Second, because ideology is present in the production of space, as conflicts over the production of space occur, this ideology emerges in relation to the dominant class it represents - a factor which emerges in spaces of representation and discourse. For example, external pressure by international financial and aid issues, and the inclusion of the discourse of good governance, indicates a conflict of the persistence of a dominant ideology of spatial organization - itself indebted to liberal market ideology.

In practice this is seen as the production of space is conceived, in this process it is possible to trace the reproduction of social space, the replication of social relations and the inherent logic of ideology. For example, whereas the architect of buildings “considers himself responsible for laying down the social functions (or use) of buildings, offices, or dwellings” (Lefebvre 1991: 147), the social planner would consider themselves responsible for laying down the social functions through policy and strategy. They take on the responsibility of structuring public life and private life, of forming the use of social space according to the function they intend. In designing development strategies then it becomes crucial to refer to the way in which the informal is articulated. The consequence is that as social planners can generate social functions reflective more of ideology than reality. Examining the way that theorists and policy advocates conceive of social organization can demonstrate these relations of power as well as their perceptions of space.
A Methodology for the Analysis of Space

Lefebvre argues that “if space is a product, our knowledge of it must be expected to reproduce and expound the process of production” (Lefebvre 1991: 36-37). To do this he provides three means for analysis of space and its production: form, function, and structure. The intention with this study is to examine representations of space of the informal. Relating the form/function/structure divide to these representations enables deeper knowledge of space and society to develop. From this, a critical analysis can take place both with reference to Lefebvre’s theory of the reproduction of social space and uneven development in the extension of capital’s dominance on a global scale.

Form, Function and Structure: Operationalizing Space

The analyses of form, function, and structure is intended to decode space. “Forms, functions, and structures are generally given in and through a material realm which at once binds them together and preserves distinctions between them” (Lefebvre 1991: 148). Through the application of these concepts to the analysis of material space, representation of space begin to emerge with greater clarity.

An analysis of form is concerned with the demarcation of boundaries, external limits, volumes and areas. Often this takes the form of dichotomous or juxtaposed description: here/there, internal versus external. A description of form, as Lefebvre asserts, “may aspire to exactitude but still turn out to be shot through with ideological elements, especially when implicit or explicit reductionist goals are involved” (Lefebvre 1991: 148). This necessitates consideration of both the material definition of the informal, but also the relational elements, the meaning behind the term and what sustains it: in other words, what something is called is more than its name signifies. Insofar as it is considered in isolation, form on its own is limited to description (at most the realm of material symbology): “form is the sign of function” (Lefebvre 1991: 148).
Function then is the signified. A statue is a form until its relative meaning is discerned, a street is a transport network once its function is realized, until then it is pavement. Likewise land within the city is demarcated as private or public property until I put my tent on it; then it becomes a dwelling (later it is considered to be illegal, but that is only with reference to structure). Function serves as the “context of these forms which metamorphoses them” (Lefebvre 1991: 150). It is signified by meaning, function serves the power of that which creates form.

A structural analysis is concerned with the relationship between the whole and its parts. “It is responsible for defining the whole (the global level) and for ascertaining whether it embodies a logic - that it is a strategy accompanied by a measure of symbolism (hence an imaginary component)” (Lefebvre 1991: 158). Structures play an integral role in the production of space. They are carriers of social relations, in a material, relative, and relational sense. The patterns of social arrangements, the structures, which are reproduced through the production of social spaces can be regarded as the means through which production is rationalized and theorized. This logic is reflected in the function and form of the space. Thus we see that similar forms are replicated to serve a particular function denoted by the dominant structure. One can think of special economic zones with the replication of specific form and geographical position (proximity to transport network), and explicit function (export manufacturing), as well as the rules and means of organizing production (the structures). Scale and replicability are best understood with primary reference to structure.

This triad provides the means necessary to decode the material and relative space. As the primary interest here is the conceptualization of economic and social activity into informal and formal, and the subsequent resolution of this ‘development problem’ via property rights, form, function and structure can be used as tools in the analysis of representations of space. Ultimately this approaches a critical question for the production of space: “If architects (and urban planners) do indeed have a representation of space, whence does it derive? Whose interests are served as it becomes ‘operational’?” (Lefebvre 1991: 44).
Reflections on the Research Process

A key process of the literature review, as well as the data analyses, has been the selection of texts and documents. The central concern of this study was to engage the ideas of some of the dominant thinkers on the subject of the informal sector. This has entailed an exploration of the aspects of theory related to new institutionalism, property rights in law, the formation of the informal and formal, and law in development. Four broad areas of literature were used to do this: previous research in this field (books and articles), work that offers alternate perspectives (including books, essays, and work published in academic journals), primary documents related to the subject (including narrative accounts), and literature that deals with the abstract, ontological nature of the subject (including theoretical texts and works from humanities). Selection criteria followed those that both Flick (2009) and Bryman (2008) draw from Scott (1990). This gives four primary criteria of authenticity, credibility, representativeness, and meaning. Depending on the text different parts of this will be emphasized. In the formal literature analysis credibility and representativeness were emphasized, while in the analysis authenticity and meaning played a more dominant role.

Finding this literature has been done in several ways. For literature review I have focussed primarily on the works that are considered seminal in the field. Using these as anchors I have looked for works that cite these texts, making use of these literature reviews to gradually trace the most frequently cited and referenced texts and writers. I have also sought a balance of criticism and support for mainstream ideas. Considerations has been given to a balance of old and new research, seeking to trace the concept as it evolved (though it seems the 80’s have been a particularly active decade). Finding literature has involved library catalogue searches (including the University’s and the national Swedish catalogue Libris) and the searches of online journal databases. As well, from the humanities I have borrowed on literature that deals with the history of ideas and development of key concepts such as rule of law, property, and contracts. This has been assisted largely by chance and previous exposure from other studies.

A structured approach to reading, including coding, has been a key methodological characteristic of my research. Coding in this methodology followed many of the basic principles.
that were proposed by others including Bryman (2008), and Lofland and Lofland (1995). The process of coding seeks from the data general categories, representations of the social world and actors, meaning, descriptions, what the document questions and suggest, its assumptions, and contradictions with my own perspectives/assumptions.

The practical application of coding and analyses differs depending on the text studied. For books, key quotations were noted and written in a research journal (with page number and date of reading), other ideas and phrases were coded according to colored stickers referring to generalized categories that have either evolved through reading or are preceded through other readings. In smaller texts, colors were also used to indicate significant points, with colors referring to categories again, or they have an internal meaning linked to the document itself. This process has produced fragments of documents that were later cut up and grouped according to categories and concepts as part of a selective coding in a way similar to that suggested by Bryman (2008: 552).

Awareness and reflexivity in this process has been paramount, however, not undesirable in the research process. Efforts have been made to give reference to my own experience when relevant and to rely on others interpretations when my own familiarity is limited. As theories are considered here to be analytical tools, and not absolute explanations of the social world, the emphasis has been placed on seeking patterns and contradictions. The development of my own theoretical interpretation and conceptualization is understood as part of a personal process of attempting to explain the social world as I experience and perceive it.

Consideration to the origins of the theories which I apply has been critical. While they deal with international processes, the theories all originate from European authors. As well, they are derived from a specific reading of history supported by a distinct marxist framework. While this provides for a good critical base, limitations placed on the studies through this have been part of a process of research and analysis.
The informal as a production of space

As Harding and Jenkins point out, “[t]he role of professional social scientists - particularly economists and sociologists - in the social construction of a model of ‘the hidden economy’, has not, however, simply been that of promoting or elaborating upon an already existing idea ... social science created and defined the concept in the first place (Harding & Jenkins 1989: 1). As such, it becomes significant to ask what purpose the concept serves, and who’s intentions does it represents? As earlier discussion demonstrated, the definition of what constitutes the informal is diverse and largely relates to the intentions of the researcher. This is reflected in the multiple approaches to the subject over the years. By analyzing the informal as a produced space, both materially and abstractly, a further clarity as to what is involved in the study and discourse of the informal can emerge.

Form and Function in the Representation of the Informal Space

There are three considerations that need to be distinguished with reference to the term informal. The first is how it is represented and studied within academic texts as an ontological mirror of the formal. As such, the informal of academic texts exists as an integral part of the development of a modern urban spaces under capitalism and, therefore, does not constitute a marginal phenomenon.

Second, both within and outside the academic texts, the informal occupies a relative and relational representational space as a discourse about space. In a significant way, the informal space discourse is instrumental in securing the dominant position of privileged groups.

Third, exterior to representational and representations of spaces, the informal refers to a spatial practice in which unregulated activity does persist. The ‘informal’ then can be seen as a category, into which all manner of social action is placed. Consequently, what the informal refers to can be studied, however, only with consideration to the framework of capitalist relations that it is embedded in.

These distinctions can best be clarified through an analysis of space that incorporates Harvey’s absolute, relative, and relational space, as they clarify Lefebvre’s spatial practice,
representation of space, and representational spaces. Here, this will be presented through a discussion of form, function, and structure.

The space of the informal is conceived by what it is not. Various means this means that it is not the space of wage labour, nor state regulation and taxation, nor a space of legal activity and production. Within the academic literature, the informal as an absolute material space (a geographical space) does not exist outside the representational space (symbolically marked as informal). The informal is simply ‘not formal’. To this end, Portes et al. suggest that “the very notion of informality may become irrelevant in those cases in which the state regulation of economic relations is nil” (Portes et al. 1989: 298). Consequently what is described as the informal sector can be lived or experienced as ‘informal’, but only because it is perceived as such.

In the representation of informal space, the form of the informal reflects of the processes inherent in the production of formal space. As a distinct space the informal only gains material form through relational space. Throughout the literature this is articulated through its relation to regulation. However, regulation doesn’t cause informality, informality is conceived through regulation. This is seen in the division of urban spaces into distinct informal settlements, or in the accumulation of informal labour in underground factories. Often form can be logically related to the disagreement between administrative maps (absolute representation of space) and the existence of illegal constructions (absolute material space). As Portes et al. argue, “[v]ariations in the form and effects of the informalization process are not random, but reflect the specific social and economic order in which they occur” (Portes et al. 1989: 298).

The form of the informal is also understood in a relative representation of space. This is especially important in understanding mobility between the informal and formal. As time proceeds, varying conditions encourage the mobility of both labour and production from regulated material and representations of spaces to unregulated ones. For example, labour is often flexible according to season and demands for manufactured goods. Firms find it convenient “to take on or lay off labor in tune with fluctuations in demand and to put out work to small workshops or even homeowners” (Roberts 1989: 45). In practice, the informal space may
function as part of a set of broader survival related activities. In the literature, it is here that the informal is given certain attributes that functions to actualize the actions and decisions of people (such as models of rational choice, or transaction costs analysis), and helps clarify the intimate bound between the informal and formal.

In its relative form, the ambiguity of the informal is most clear. As Harvey discusses, relativity relates to measurement, and as such, is dependent on both the measure used and the frame that shapes the point of view. Several studies of the informal are dedicated almost entirely to its measurement (Renooy 1990, Harding & Jenkins 1989), and demonstrate the different relative measurements, the measurement of the effects. Form of the informal then reflects the function of the research undertaken. If the intention is to measure those activities that remain untaxed, the informal incorporates tax evasion in its definition. As well, the framework from which research operates affects the final form of the informal. What is deemed to be a significant often reflects the discipline of study with which the researcher is familiar.

Structures as Related to Forces of Production: the State and Migration

Form and function in the informal are subsumed to the the structure of the state and patterns of migration. Through Lefebvre’s discussion of the state, three pertinent observations can be made about the informal sector. The first is the relationship between the modern nation state and the existence of a market. Second is that informal spaces are seen as both dominated and appropriated spaces. And third is that reproduction of social space through the absorption of the informal occurs without regulatory change.

As Hart argues, “In the twentieth century, capitalism took the specific form of being organized through the state. ‘State capitalism’ was the attempt to manage markets and money through national bureaucracy” (Hart 2005: 6). Within the literature, there is disagreement over the deterministic role of the state in producing informal space. On one hand is the perspective that the state plays a passive role through overregulation and bureaucratization (de Soto 1989). In other perspectives the state is presented as an active producer of informal spaces and activities (Dorman 2009, Standing 1989). In this way, as Dorman argues in an analysis of the informal
settlements of Cairo, “[t]he existence and durability of the ‘ashwa’iyyat [informal areas] reflects
not the absence of the Egyptian state, but the very peculiar qualities of its presence” (Dorman
2009: 432).

The state’s dominance is expressed foremost through absolute and symbolic violence. However, where the state cannot control the development of informal settlements or businesses it finds other ways of mitigating its losses. For example, while informal settlements represent somewhat autonomous spaces, they are also dependent on the state for infrastructural services; in some cases these services are provided in exchange for political support (Dorman 2009). In Lima during the 1970s, informal trade in public was regulated against, but in practice it was allowed to persist as it represented a key way of extracting revenue through a municipal ‘excise tax’ (de Soto 1989). When it could, the state maintained control over public spaces through violence, and, when it could not, found a way to profit from it. Here we see the argument of Lefebvre that the abstract space of capitalism depends on consensus more than any other. The informal, as it relates to the state, functions to offset the inability of the state to provide formal opportunities. In this way the informal appears, in part, as a space of appeasement.

An appropriated space is considered to be a “natural space modified in order to serve the needs and possibilities of a group” (Lefebvre 1991: 165). Consequently, much of the informal can be understood as appropriated space. Here a split emerges in the concept which carries significant consideration for the study of the informal as subject. In absolute material space a division appears between that which is ‘informal’ and dependent on the formal, and that which is classified as ‘informal’ but retains some level of autonomy. The difference is seen through the appropriation of space through which whole communities emerge with distinct structures and institutions. These may still be subsumed under the rule of the state, but the state may exact little power over those spaces. These differ from informal spaces which develop as extensions of the production of capitalist space.

The former are in direct confrontation with the dominant forces of social reproduction, while the later are integrated into them. This split can also be seen in the symbolic appropriation of a material space. Arguably Tahir Square in Cairo during the ‘Arab Spring’ of 2011 is an
example of this. Here, the representational space is occupied and infused with a symbology of resistance. Consequently, this contestation of state dominance resulted in initiating a process of transformation, the end result of which remains to be seen. Often the two typologies appear together in time, and may be difficult to distinguish as they may be seen to overlap in absolute material space.

A second structural consideration is linked to the accumulation of labour in urban centers through migration from peripheral areas. While there are a number of reasons that people migrate, social disparity between the periphery and the core is an often invoked explanation for the impetus of the informal sector (ILO 1972, Hart 1973, de Soto 1989). Consequently, as people arrive they are prevented from integrating into the larger city (Davis 2006). Here we see a pattern emerge wherein a contestation over the representational space emerges. A discourse is produced within the social space that reflects the perception of infiltration of the urban by rural peasants. As Dorman writes, “Egyptian successors have periodically asserted that Cairo has been overrun by uncivilized migrants from the countryside” (Dorman 2009: 422). Likewise de Soto notes, “[c]ivilization was expected to go to the countryside; the peasants were not expected to come looking for it” (de Soto 1989: 10). This creates an oppositional space wherein the dominant urban population - embodied in the state - are placed in opposition to new migrants. Faced with hostility, new migrants are forced to settle in any areas they can, often outside the purview of the state.

In this way the production of the social space, as mediated through the structures of state, is reflective of the forces of production including accumulation and the domination of space through violence and other means of control such as taxation. This includes contract relations, credit relations, and the capacity of private property to be transferred in a regulated market. The informal emerges then not as distinct and autonomous force, but an extension of the forces of the state, its regulation, and the interests it protects. The social relations of production, which demand the concentration of labour and the annihilation of space through time, appear here as having a deterministic role in migration (Smith 2008).
Through an analysis of form, function and structure, the informal sustains as a diverse and heterogeneous subject. It is seen to have different form depending on its use in academics, discourse, or in practice. In practice the informal is understood as intimately bound up with the persistence of the nation state and the development of a dominant market. Here the informal, both as settlement and as economic activity, mirrors the social relations of production. However, in the analysis of space a distinction must be observed between that which is depended on the reproduction of social space under capitalism, and the appropriation of space autonomous from these relations.

**Invoking the Informal: An Examination of Purpose**

The informal as a concept can be seen to serve many purposes depending on the context from which it is employed. As a term, the Informal from the beginning has been put to use to draw attention to what was missed in mainstream studies. As it persists, in economics for example, the informal is often used to account for the failures of the formal market and development. It also serves an instrumental function in discourses over space - both academic and non-academic. In this way, ideology and social science begin to conflate.

The ambiguity between advocacy and science draws attention to the purpose that knowledge of the informal is put to use for. Clarifying this confusion is what Lefebvre’s intention was with the unity of society and space. As he argued, the projection of social practice into spatial fields “represents the political (in the case of the West, the ‘neocapitalist’) use of knowledge...knowledge under this system is integrated in a more or less ‘immediate’ way into the forces of production, and in a ‘mediate’ way into the social relations of production” (Lefebvre 1991: 8). As such, within academic literature, the construction of the informal as a distinct space can reflect the reductionist approach of isolating socially produced phenomenon from their spaces. The purposes, as Lefebvre indicates, is tied into the expansion of the forces of production into all spaces.

The informal, as capitalism’s shadow, is viewed then as a term which embodies a certain knowledge of space, an ideology perforce of a dominant global class. In this regard, the term serves to reproduce the dominant social relations of production into those areas which subvert its
regulation and domination. In this way the informal sector is representative of an oppositional space in nothing more than symbology - in sustains as an integrated aspect of the formal. However, this perspective misses those aspects of social relations and which are not part of the formal at all (often, for example, the realm of art or artisan production).

As Harding and Jenkins claim, “[h]istory may be viewed as the progressive encroachment of formality upon widening areas of social life, as a consequence of literacy and the introduction of more sophisticated information technology, on the one hand, and increasing power and bureaucratization of the state, on the other” (Harding & Jenkins 1989: 15). The production of spaces, whether it is absolute or relative, predetermines some function; the space of the state and market is designed with purpose, one which may not easily be transposed to another. As such, the creation of new spaces under capitalism demands the transformation of the social relations already present. Old patterns, routines, and social relations are destroyed and subjugated. Consequently, the reproduction of capitalist modes of production, with a penchant for accumulation, encourages relations of dominance and inequity (Smith 2008, Harvey 2006). Social space under capitalism encourages the reproduction of social relations in a coherent, homogeneous, pattern. Consequently “[w]hen institutions fail to reflect the changing reality of social and economic organization, this reality emerges through the cracks with singular force, sometimes as social movements but most often as novel adaptive mechanisms” (Portes et al. 1989: 309). The effort to abstract space under capitalism, to create a homogeneity of space in regulation and form, produces contestation.

The third purpose of the informal is revealed through the discourse over space. This, as Dorman demonstrates, is the purview of both academics and non-academics. In Egypt, the informal area discourse “was a means of scapegoating the Egyptian state’s broader failures of urban governance” (Dorman 2009: 436). For Davis (2006), the informal discourse has served a similar purpose. Through conceiving the informal as a symbolic space of self-help, “[p]raising the praxis of the poor became a smokescreen for reneging upon historical state commitments to relieve poverty and homelessness” (Davis 200: 72). Within the work of de Soto this self-help vision of the informal dominates. The informal as ‘extralegal’ serves the purpose of cleansing it
of a great deal of its diversity and internal conflict. To this end, the informal is subsumed to a larger ideology of liberation and deregulation. This is par excellence what Lefebvre implied when he referred to a “powerful ideological tendency, one much attached to its own would-be scientific credentials, [which] is expressing, in an admirably unconscious manner, those dominant ideas which are perforce the ideas of the dominant class” (Lefebvre 1991: 6).

The use of the term informal reflects a variety of purposes. Through reference to the theory of the production of space these purposes emerge as intimately bound with the relations of capitalism and its expansion. As such, purposes reflect both the study of capitalism as a social phenomena, and the active campaign for the reproduction of the abstract space of capitalism. This is reflected outside the academic literature in the discourse on space, especially as it is projected from the state. Looking towards property, the development of the informal as a reproduction of social space can be better understood.

The Social Production of Property

Property is perhaps one of the most ambiguous and abstract terms that can be dealt with. It has concrete manifestation in a plurality of absolute forms, as well as in relative and relational spaces. These spaces are not only contestable, they are also flexible. Through property, relations of power emerge. The consideration of property that is central here is the formation of a concrete property reflective of an abstract; the rule of law as a form of organizing space.

In relational space, property is constructed to reflect function. In cities the manifestation of material property bears the mark of its use, of its social value. Property as such emerges as a reflection of the dominant mode of organization. As Lefebvre asserts, space is “a social relationship ... but one which is inherent to property relationships (especially the ownership of the earth, of land) and also closely bound up with the forces of production” (Lefebvre 1991: 85). In this sense the formation of property, and rights over property, reflects its socially designated function as much as it reflects its individuated function in absolute space itself.
The form of property is revealed not in its material formation, but in the abstract relationships between people. This is difficult to measure, and indeed nearly impossible to denote to an outsider without the formation of a symbolic representation of space and ownership (a deed or a title). The enforcement of property necessitates this space of symbolic representation and is dependent on a supervising body. However there is no predetermination to what this has to be. Across social contexts an ontological principle such as property will persist, however, the function of a spatial formulation of property will be differentiated according to the use of material space: a plot of land in the city designated for use according to the needs of society in the city. The division of space then reflects the division of material life and emerges with distinct institutional structures. Likewise, appropriated uses of *space as property* reflect the subversion of form and function, as dictated by the dominant mode of production, to the will of social agency; to a structure somewhat autonomous from the state.

Here the significance of the term takes shape. As part of the larger structures of social space, property rights comes to act as a regulation of space. Property rights, as understood in capitalist relations, entail a particular legal structure reinforced by a state. However, property, as defined in local context may be different, or, in the most extreme cases, in complete contradiction. Property in a personalized community based model takes on a different function than property in the impersonal space of a broader society (this is especially seen in common pool resource management or appropriated public spaces) (Blomley 2004, Manji 2006). What property enables in the abstract space of capitalism is not necessarily related to its function in the space of community. How these relations are negotiated determines, to a large extent, the incorporation of the informal as well as the social legitimization of formal property system.

As advocates of liberalized reform have argued, the emergence of informal settlements and informal businesses reflect the inability to access regulatory systems (de Soto 1989, 2006). Research in this regard highlights how it takes 549 days to open a bakery in Egypt, or 6 to 14 years to construct a dwelling (from land acquisition to completion) (de Soto 2000, ILD 1999). Systematic reform of property rights structures is a means of ensuring market development and growth; “[w]ithout formal property, a modern market economy simply cannot exist because most
assets are commercially and financially invisible” (de Soto 2000: 17). This echoes a dominant political paradigm of contemporary development (roughly embodied in the World Bank catch-phrase Good Governance). The actual political, economic and social challenges of implementation of property rights is assumed to be resolved in legal reformation. As David Kennedy argues, “the idea that building ‘the rule of law’ might itself be a development strategy ... encourages the hope that choosing law could substitute for the perplexing political and economic choices which have been at the center of development policy-making for half a century” (Kennedy 2003: 17).

The logical challenge of prescribing property rights sustains. That is, what defines property and who is an owner? In cases where no clear precedented right exists, many people face eviction from the land they occupy and risk loosing the main source of their livelihoods (Davis 2006, Dorman 2009). In de Soto’s research he defends property reforms by focusing on the occurrence of ‘archetypes’ of property relations. In this way, he advocated the formalization of informal property assets, “the building blocks of a modern legal economy” (de Soto 2006: 58). This occurs “when they are embodied in universally obtainable, standardized instruments of exchange that are registered and governed by legal rules and connected to the rest of the economy through mechanisms which, additionally, can support the whole range of transactions that make a market economy work” (de Soto 2000: 16). However, it remains to be resolved how these extralegal forms become incorporated into legal structures if it is more than just regulation that acts as a barrier, and, more significantly, in the eyes of people the state lacks legitimacy?

The state acts as the structural enforcement of property. However, in a situation where it remains unaccountable to citizens, it is unlikely that any significant and equitable property system will emerge. The legal solution is proposed without consideration to the broader complications of political contestation and the continued rule of elite and insulated bureaucracies. For example, the provision of equal and secure private property rights hinges on an inherent link to a specific type of state, one that maintains a conception of ‘private citizen’. In many cases this implies not only a change in legal norms, but an entire revolution in the political, social and economic structures of countries.
This necessitates reflection to the perspective of understanding property as absolute knowledge. When space is regarded as a receptacle of social practice a number of inaccurate concepts are kept alive; “notably the thesis according to which social space is the result of merely of a *marking* of natural space, a leaving of traces upon it” (Lefebvre 1991: 141). In marking space, proponents of absolute knowledge “reduce the social to the mental and the practical to the intellectual, at the same time underwriting the extension of the laws of private property to knowledge itself” (Lefebvre 1991: 141). With the unity of space and society, property, as a relational conception of space, takes on the role of reproducing the social space that justifies it to begin with. Private property rights can be seen to reflect an ideology of social space under capitalism that claim an exclusive right on knowledge. As such, ‘property’ subsumes the logic of the ideology which gives it form: social space under capitalism.

In using ideological paradigms - such as is present in de Soto’s work - the definition of the issue becomes intrinsically linked to its solution, and as such pushes aside any disagreement over the mode of production (the *means* of organizing society and the reproduction of material life). Declaring a *lack* of property rights or rule of law as a problem implies that with property rights and rule of law the problem would be resolved. This, however, provides no frame of reference exterior to the ideology; the interpretation of the problem and the problem itself are determined by the same ideological assumption: private property and law are means of securing development. As such, private property is treated as an absolute, as a definitive means of organizing society, and marginalizes conflict over space and the production of material life.

The problems that emerge from this discussion are not just how to turn informal assets into formal ones, but whether the function embodied in informal formulations of property relate to the function embodied in formal ones. This is not to argue that collective rights are generally superior. Rather I intend to highlight the importance of spatial struggles for ensuring livelihood, something that can help understand the complicated ways in which social institutions find legitimacy and sustainability. This, to a certain extent, is impinged by the thinking of production of material life as an absolute.
Property and the Informal Economy: Considerations for Development

Bringing together the concepts of property and informal as a construction of a representation of space, several questions emerge. Here two will be considered: first, as the state is dominant part of conceiving the informal, what interests does it have in the persistence of the informal? And second, given considerations for interrelationship between the informal/formal, what is the possibility for development within the informal? Ultimately what emerges from this reflection is that the informal as a term echoes the problem of who defines the problem of development, its solutions, and the means to achieve it.

The State and the Informal: Sustaining a Space

In an analysis of the space of the informal, how the state legitimizes its rule with regard to the informal emerges in two interrelated ways. First through violence and domination of space, and second through the developing of mutual dependence. The informal in this regard largely refers to that which is defined as an extension of the formal.

As earlier mentioned in reference to the ideas of Lefebvre, social space under capitalism depends more than other systems on the purveyance of consensus - whether through violence or other means. In the securitization discourse, the state can present itself as the defender against the threat of the ambiguous informal. In Egypt, by means of a securitization discourse, “State officials have periodically stigmatized segments of Egyptian society as a threat to the national community, while always attempting to portray themselves as the guardians of its modernist development aspirations” (Dorman 2009: 423). Discourses of the informal often presents it as a space in conflict with the state. The state and the informal interact in a symbolic space and in so doing justify state legitimacy. This is carried through by means of symbolic and absolute violence and highlights the capacity of the state to divide the social space (even within the informal there emerges distinction between undesirable and desirables).

Hart (2005), recalling Max Weber’s writing on the domination of the city, argues “that society everywhere is held together by force. But having to beat people over the head to make
them comply is expensive. Better to persuade them that your political authority is based on right” (Hart 2005: 4). In the analysis of the informal in Cairo, Dorman highlights how “[n]ot only do state officials probably understand that many Cairenes have little option but to homestead informally ... such settlements are an easy means of housing lower-income communities at little cost to the state” (Dorman 2009: 434). As well “there is some suggestion that individual officials have sometimes used their positions to facilitate informal urbanization ... whether simply in return for pay-offs or because they were active participants in the informal development process” (Dorman 2009: 433). The informal, as presented here and earlier, emerges as a way of mitigating state costs and shirking responsibility. Sustaining the informal enables the state to defend the interests of exclusive privileged groups without risking instability - at least in the immediate.

What is written in law as illegal, is different that what is socially illicit, and as such, understanding the relationship between the state and the informal depends on a negotiation between subordinating the informal, generating popular support (by clientelism and patronage networks for example), and ultimately through the expression of power and violence. In places where the state gains more from allowing unregulated activity than fighting it, while maintaing control and stability in dominated spaces, a generally regulated economy is unlikely to evolve. Through this we see the security a dominant class at the expense of economic security of individuals.

**Concluding Remarks**

In summary, the space of the informal can be seen in three ways. First as it pertains to academic study, second as it relates to a discourse on space (in and out of academic texts), and third as a perceived space that persists as unregulated activity. Over time the concept of the informal has retained, in part, the economic dualism presented by Arthur Lewis. However, significant amounts of research has gone into reevaluating this distinction, and contemporary attitudes towards the informal, at least in academic texts, is generally positive.
The informal does not exist outside its relationship with the formal, both ontologically and in practice. It is, as de Soto argues, a place of a significant accumulation of assets though seen as dead capital due to a lack of property rights. State capitalism as a dominant mode of organization plays a significant role in the creation of the formal both in regulation and in the active role in the production of absolute material spaces. Through the states perseverance by means of violence, the informal is understood both as a symbolic and material space of opposition. However, often this is exaggerated through discourse. As a relative phenomenon then it is understood to involve the conflict of frameworks of perception in the way David Harvey discusses. In this regard the informal is understood to be a space of political contestation and conflict.

The informal reflects the specific social and economic relations that dominate the formal sector. In this way the accumulation of labour in acute centers through migration has lead to the material separation of the city. However, when consideration is given to relative space, the mobility between the two sectors is clear, and indeed nearly everyone can be said to straddle the two to various extents. The consequence is that lived and experienced material form of the informal is only understood as a relative perceived space.

The representational informal space acts as a means to reproduce an ideology disguised as science. This is especially seen in the persistence of property as absolute. The reproduction of the social space can be seen to sustain through the expansion of property as a dominant form of social organization. However, if the full significance of law and development is to be considered, property must be understood as a relational concept, one that is intimately bound with a certain vision of the nation-state.

Ultimately the expansion of the formal represents the expansion of an abstract space of capitalism, a social space. While this involves the inclusion of spaces classified as informal, a distinction must be made between what exists as informal but is a mirror of the formal, and that which exists as markedly autonomous from formal relations. In this way the active role of appropriation in creating spaces of conflict that contradict the dominant power of capital can be seen.
As several studies have shown, the expansion of property into the informal does not resolve the inherent contradictions of market systems - especially in developing contexts. This includes the exacerbation of inequality and the replication of exploitive relations of production. As such, if the informal is really to be considered as a means of development, significant appreciation must be given to the conflict between the persistent social institutions of the state and the social institutions that escape its dominance. As well, as property imbues a certain function in its form (one that is nonetheless related to structural factors), diversity in the rule of law must be considered as a reflection of the modes of production that are implied in these forms. To this private property is dependent on a private citizen conception of state. This has shown to lead to significant conflict in contemporary development practice and is largely related to the conflict over ‘good governance’.

Consequently, as the reproduction of social space involves the creation of new spaces, the process of market development must be considered for the social institutions and routines which are destroyed. In this way, it is understood that potential alternatives to the exploitive and consumptive model of production associated with capitalism may exist. By looking beyond the simplified informal/formal divide as a means of interpreting society, and by incorporating a vision of space and society as a unitary concept, the diversity in social relations and spaces can appear. Only through this unity can the conflict over the means of development become inclusive of a plurality of perspectives.
References


