My conversations with Martín almost always followed the same script. At first I thought I must be receiving a well-rehearsed narrative from Fundación Paraguaya’s energetic, enthusiastic, and at times overwhelming founder and director. After encountering Martín in a variety of contexts and as he was addressing different audiences, I came to realize that the script was not really a reprise of his organization’s mission statement, as I had assumed. More often it was a reflection of his personal management style. Martín has a politician’s gift for clarity and organization in his exposition. Since I met him in 2006, a compact man in middle age and with the bespectacled intensity of a technocrat, Martín has always exuded stage presence, even when the platform was Fundación Paraguaya’s modest offices or meeting rooms. He founded the organization in 1985 and has carefully cultivated its success ever since.

Despite Martín’s relentless focus, I found myself a bit unmoored as we spoke. His talking points would routinely be cast adrift by anecdotes and asides describing projects and ideas that were happening right now. Over the past eight years of collaboration with him and his organization I have come to recognize this as a hallmark of Martín’s highly effective management style. He said he “just got off the phone with Nigeria”—they wanted to implement his model for self-supporting agricultural schools. His friend just invited him to participate in Matt Damon’s initiative on clean water. Just this morning, Fundación Paraguaya had added a new component to the microfinance program that would
expand the savings requirement for its more than thirty thousand clients. His preoccupation with innovation did not just center on new policies and programs. I was assured on countless occasions that the latest software was being used, that contacts at Hewlett Packard would provide brand-new technology platforms, and that a new initiative would roll out surveys by cell phone. In his framing, cutting-edge trends in the development industry were quickly taken up and just as quickly shelved as the organization positioned itself as nimble and innovative.

The headlong gallop after new projects and ideas—one week it was microfranchising, then microinsurance, then child savings, then vision care—left Martín invigorated and his staff winded, struggling to match his furious pace. Of course, this had everything to do with the appearance of financial performance of his microcredit NGO, which resonates with Anna Tsing’s (2000) study of economies of appearance, a sly double entendre for financial success coproduced with theatricality. In Fundación Paraguaya’s economy of appearances, Martín was charged with representing the NGO’s public face and brand. His emphasis on growth in the organization created a sense of seamlessness between the actions of microfinance borrowers and the actions of Fundación Paraguaya itself. Through Martín’s management style, both were cast as businesspeople who are constantly innovating and taking risks in order to grow. At first I thought that this economy of appearances staged entrepreneurship for outsiders in the development world—including social scientists—who saw Martín and his NGO as a captivating spectacle.

It was Cynthia, a credit counselor in Ciudad del Este, who provoked me to reconsider what the concept of entrepreneurship achieved in the Fundación. In the sterile and utilitarian local branch office, furnished with plain desks and computer workstations, Cynthia was a force to be reckoned with, just like Martín in his realm. At the Ciudad del Este office, junior credit counselors overseeing huge lending portfolios to Committees of Women Entrepreneurs also dashed around the workplace, scrambling to get their loans processed and approved in time to achieve monthly goals, troubleshooting loans to hundreds of clients, and renewing microcredit groups in further cycles of borrowing. Like Martín, Cynthia energetically tackled the work of microlending. In her case, it was through the day-to-day managing of specialized development loans targeted at women. A tall and intense woman in her mid-twenties, Cynthia had left her family in rural Paraguay to move to Ciudad del Este in search of work. She was a bit of a fitness geek and spent what little personal time she had lifting weights at a local gym. Unlike
other credit counselors, who played traditionally feminine games like volleyball and basketball, Cynthia was not into team sports. In fact, she had arrived in the city with virtually no contacts, connections, or prospects for employment. She was hired at the Fundación after rigorous screening—hundreds of young women applied for the position of credit counselor—and assiduously began building her loan portfolio.

For all of her self-sufficiency and the intense pleasure she took in the competitive professional environment of the Fundación, Cynthia constantly fretted about the aspects of her work that were utterly out of her control. While Martín’s constant stream of ideas could almost instantly reorient the workday priorities of the organization’s staff, Cynthia focused on maintaining the work she had succeeded at already, especially her client base that through great effort she had accumulated via personal relationships with over nine hundred microcredit borrowers. As I shadowed Cynthia and other credit counselors in the local branch office of the NGO in Ciudad del Este, these women constantly expressed worries over the volatility in their loan portfolios, especially groups of Committees of Women Entrepreneurs who unexpectedly fell behind in their payments or decided to leave the Fundación’s microcredit program and not renew their loans for another cycle of borrowing. These upheavals in their routines had dramatic consequences for Cynthia and her coworkers. If credit counselors did not meet their portfolio goals, the young women who worked at the NGO would not receive their monthly commission bonus, which represented about a third of their income. The Fundación paid credit counselors a minimum-wage salary (about $400 a month), and the commission was talked about by both staff and managers as incentivizing employees to work hard and be creative in administering their loan portfolios. But the salary volatility meant that sometimes money was so tight at the end of the month that credit counselors were short even the loose change needed to buy biscuits and tea for breakfast at the office. On a long bus ride back to the office after an unsuccessful meeting with microcredit borrowers, concern was visible on Cynthia’s face as she anxiously talked through her doubts about how she would pay the rent on her small flat while still sending money home to support her mother and siblings in rural Paraguay.

Innovation, competition, and rewarding risk were core precepts at Fundación Paraguaya. Martín’s development mission was targeted at unlocking the entrepreneurial spirit of the women participating in his microlending program,¹ which he understood as a poverty alleviation venture. Cynthia enthusiastically modeled those entrepreneurial qualities
in an effort to succeed professionally in the organization. In this chapter, I show that it is not just the microcredit Committees of Women Entrepreneurs—the subjects of development interventions—who were caught up in the project of entrepreneurialization that animated the development work of Fundación Paraguaya. Martín associated risk, competition, and agency with his development goals for the women he was trying to offer a path out of poverty through business financing. I suggest that in addition to being an outcome for borrowers—often with ambivalent results—entrepreneurialism was central to the labor practices of permanent staff like Cynthia and Martín.

In what follows, I track the development framework that moved entrepreneurialism from Committees of Women Entrepreneurs to unexpected sites within the organizational mission of the NGO. This was especially the case for feminized credit counselors who oversaw the loan portfolios of precisely those microcredit clients. I emphasize the multiple feminized subject positions produced through the forms of difference organized around workplace culture. Crucially, credit counselors perceived the promise of a feminine professional identity that was separate from the feminine subject position of the low-income women enrolled in their development projects. With steely determination Cynthia strained to contrast herself to her clients—women portrayed as impoverished and seeking development assistance—by cementing her professional identity as a financial manager at a bank. However, entrepreneurship gripped Fundación Paraguaya in a way that blurred precisely that key distinction between lender and borrower.

 Might entrepreneurship be a new domain of pink-collar work in the financial services sector? Further, do development workers and microcredit borrowers stabilize contrastive subject positions, which might proliferate multiple feminized entrepreneurial positions? Or might that distinction collapse altogether in the workplace practices that prioritize entrepreneurship across the whole field of microcredit, from clients to bankers to CEOs? Entrepreneurship as an integrative process made the whole field of microcredit seem the same, such that borrowers, staff, and CEOs were generally engaged in the same thing. This integrative process was in constant tension with the equally important forms of differentiation that stratified labor throughout the bank and among borrowers. These constitutive tensions go to the heart of the process of crediting gender that I trace across the microcredit world, all the way up to the central offices of Fundación Paraguaya and beyond. Entrepreneurship as a valuation practice at Fundación Paraguaya illustrates the
way microfinance creates interdependence as well as independence. As I argue, it is the constant knitting and unknitting of economic ties that gives microfinance social collateral its particular density. It is this through this wider field of relationships that I understand entrepreneurship to be a regulatory form that creates relations but also severs them.

It was precisely the cultivation of entrepreneurialism as a professional goal of Cynthia and her colleagues that enabled the NGO to reproduce itself as an institution with the aim of entrepreneurializing poor women. I examine how the gendering of class—for both microcredit Committees of Women Entrepreneurs and bank functionaries like Cynthia and Martín—was a generative force in processes of identity formation and workplace regulation. Rather than spontaneous emanations from the creative imagination, entrepreneurship as a form of economic agency was a project that took a great deal of institutional work. That work went to the heart of microcredit’s crediting of gender.

**SOCIAL DEVELOPMENT: “IKATÚ, YES WE CAN!”**

Entrepreneurship transected all levels of Fundación Paraguaya’s microfinance mission, from borrowers to credit counselors to NGO managers to top leadership. Martín was the intellectual center of the organization, as well as its ultimate authority concerning major institutional decisions. His office was fortified by a stern secretary, a cosmopolitan Argentine with extensive ties to the NGO world. Their suite of offices connected directly to a capacious seminar room equipped with an array of flat-panel screens for teleconferencing and presentations. In adjoining offices, the head managerial staff worked at desk stations in either private or collaborative workspaces, depending on their role at the Fundación. Managers at the Asunción head office commented wryly that they dreaded Martín’s visits to their workstations because it meant that they might be immediately put to work on a new project. (Fig. 2.)

During his enthusiastic enumerations of projects in development, which were taken as evidence of the Fundación’s creative spirit, Martín often invoked Joseph A. Schumpeter’s classic formulation of entrepreneurship as creative destruction. Institutionally, this meant constant upheaval in the daily administrative tasks of permanent staff members, particularly in the top tier of elite managers working out of the head offices in Paraguay’s capital city. And even more than the classic industrial models of progress invoked by Schumpeter, the office at Fundación Paraguaya seemed perfectly adapted to the information age, modeling
tech start-ups that invite top managers to “innovate or die.” Their style of business was more reminiscent of the Silicon Valley tech world than the investment havens of Wall Street or Fordist assembly lines.⁵

Despite the frenetic office environment at the headquarters in Asunción, the majority of Fundación Paraguaya’s day-to-day operations at its local branches mirrored the routinized administrative workings of a small bank. The bulk of the NGO’s credit infrastructure was distributed across eighteen regional offices that dealt with microfinance clients on a daily basis. Although the managerial staff at Fundación Paraguaya’s central office were the ultimate arbiter of credit, since they approved loan requests originating from lower-ranked employees scattered across the country, they did not handle the nuts and bolts of loan disbursal and repayment. Their task, as they saw it, was to provide direction for the organization and interface with international funders and organizations, giving a relatively obscure Paraguayan grassroots NGO considerable clout in global microcredit circles. The concept of entrepreneurship knit together these various administrative sites and projects, and ultimately it became the prime directive of the Fundación. Entrepreneurship organized the Fundación’s overall development mission: from
Martín’s litany of ideas and projects to the managerial strategies of the microcredit division manager, the development program of “entrepreneurial spirit,” and the workday practices of the Fundación’s lowest-ranked employees.

When I began my most extensive fieldwork with Fundación Paraguaya in February 2009, its leadership was sketching the contours of its latest initiative, a program that was later consolidated under the operational title “Ikatú: Sí se puede,” Guarani for “It is possible,” translated into Spanish more closely as “Yes we can.” Martín expressed disappointment that the Obama campaign had popularized the catchphrase first. The Ikatú initiative was, Martín explained, conceptualized as a way to “turn village banks into poverty alleviation vehicles by correctly identifying the causes of poverty.” This program was targeted at the microfinance clients who borrowed through the Committees of Women Entrepreneurs program and hence exemplified the seep of entrepreneurialism into every crevice of the NGO. The Fundación had been financially self-sufficient since it opened its doors in 1985, and in past years had seen spectacular growth with the addition of group-based solidarity loans to women. These social collateral solidarity loans were administered based on joint liability, where groups of fifteen to twenty-five women took out a loan collectively and became responsible for paying it back collectively. However, by citing the need to turn these microcredit solidarity loans into poverty alleviation vehicles, the president of the Fundación seemed to imply that as they were currently configured, the group-based microcredit loans were financially self-sustaining programs but were not working successfully on social development goals. In other words, despite the promise of microcredit as a development tool aimed at helping borrowers escape poverty, there was a general consensus among high-level staff that credit in and of itself was not sufficient to achieve Fundación Paraguaya’s mission to alleviate poverty.

The perceived failure of “village banking”—a pared-down microcredit-based development model restricted to the provision of credit services—is caught up in a wider debate both among Fundación Paraguaya staff and in the microcredit industry globally. The question of whether microcredit, on its own, is enough to fulfill development objectives is the site of ongoing discussion. Some development experts argue that it is; they suggest further that financial success also indexes the wider social development successes of the tool. Others, especially the venerable Grameen Bank group, claim that microcredit is ineffective without ongoing social support and a suite of programs that offer training and
assistance beyond the loan per se. The Ikatú initiative signaled Fundación Paraguaya’s ambivalent position between these two microcredit orthodoxies. On the one hand, financial measures of organizational self-sufficiency were a key element of Fundación Paraguaya’s microcredit development model. Organizations like the World Bank’s affiliate group Consultative Group to Assist the Poor (CGAP) have gained visibility and policy influence by focusing on the market finance fundamentals of “financial inclusion” development policies. The Fundación received a favorable score from the microcredit ratings agency MixMarket and has long partnered with Kiva.org, both of which take a close look at the successfulness of the NGO as a banking outfit, even as a not-for-profit organization. On the other hand, Ikatú and programs like it responded to the perceived failure of credit to achieve social goals fully.

One of the reasons Ikatú resonated so strongly with senior staff members at the Fundación was that the NGO had little direct role in what development workers term “capacity building” among its borrowers. Other programs developed by the Fundación took a greater role in education and health outreach, but the regional branch offices focused almost exclusively on providing financial services. Within Latin American development organizations, capacity building (capacitación) is an indispensable aspect of development initiatives. Usually these take the form of workshops, training seminars, organizational meetings, inspirational retreats, and group-based work. They often culminate in some kind of certificate program. As a regional phenomenon, capacitaciones have been studied widely in the contexts of social movements and development NGOs in Latin America. However, since credit counselors like Cynthia managed very large loan portfolios and received no direct compensation for undertaking capacitaciones with microcredit borrowers, they complained bitterly about the additional burden of leading seminars on topics like household budgeting, business plans, communication, prudent use of credit, and administering human resources. Boxes of unused training manuals and worksheets cluttered the upstairs storage space of the Ciudad del Este branch office.

One of the reasons the capacitaciones occupied a relatively marginal place within the broader framework of credit services was that the workshops had been modeled after the Fundación’s Junior Achievement business program for elite high school age students in Paraguay. The sort of business training that might capture the imagination and attention of a youth living at home and attending a prestigious baccalaureate program in the national capital actually mapped unevenly onto the
lived experience of many microcredit borrowers. And as a consequence, credit counselors generally treated the capacity-building workshops like just one more technical requirement for loan approval, having borrowers sign an attendance sheet along with other loan documents, whether staff members actually had time to conduct the capacitación or not. The net effect was that the mere fact of participating in the microcredit borrowing program was understood by NGO workers as virtually synonymous with training in entrepreneurship, full stop. NGO managers like Martín read the completion of incremental cycles of borrowing as progressive entrepreneurialization. The central office equated credit with business training partly because it was the only information that the Fundación kept about its borrowers and partly because entrepreneurial success was thought to be evidenced by ever greater lines of credit. Whether that was accompanied by business training was taken as incidental.

While the everyday management of credit was the central feature of workaday life at the branch offices, the organization’s leadership conceptualized its lending and other programs under the wider umbrella of entrepreneurship. According to the board members of the Fundación I interviewed, entrepreneurship was the organizing principle for the three projects that made up the bulk of their development programming. The microcredit lending program dealt explicitly with microentrepreneurs; the financially self-sufficient boarding schools funded their programs through microenterprises run by students and school staff; and entrepreneurship was the basis of the Junior Achievement high school baccalaureate “business incubator” program. The central administrative office of Fundación Paraguaya, housed in the affluent Villa Morra neighborhood of Asunción, consisted of three separate buildings tucked away on a quiet residential street a few blocks from the main thoroughfare of the neighborhood. The administrative offices for the microcredit program, the rural microenterprise school, and Junior Achievement had been spaced out across the city until an organizational shakeup in 2002 restructured the NGO and brought the three different programs together on the same block and under the same mission statement of entrepreneurship. This complex of buildings became the policy and administrative cortex of the NGO and set the direction for the organization.9

In the flurry of activity and the constantly shifting rhetorical ground of self-assessment, project proposals, internal competitions to vet new projects, all in the relentless pursuit of the next big idea, it became very easy to lose track of the areas of life that seemed not to budge, especially
the day-to-day administration of the organization. The permanent institutional personnel—225 loan officers, credit counselors, secretaries, bank tellers, and office managers across Paraguay—all saw remarkable consistency in their workaday lives. In other words, the rhythm of their labor practices stood in marked contrast to the spirit of innovation that gripped the Fundación’s upper echelon. Bank work involved plenty of drudgery: filling out folder after folder of identical loan documents, printing credit histories, copying and pasting cells of client data from one spreadsheet to the next, calling clients who were behind on payments. Credit counselors and loan officers literally faced a wall as they worked at drab computer terminals completing electronic forms and transmitting their loans to higher-ups for approval. Everything seemed to point to an ossified institutional structure over which the entrepreneurial fervor was layered. The disjuncture between managerial identities and entrepreneurial drive went right to the heart of the Fundación’s development mission.

ENTREPRENEURS AND ACTIVE AGENTS

Beyond the hum of activity at the NGO, entrepreneurship has much wider purchase in anthropological analyses, becoming central to critical social studies of global neoliberalization.10 Building on historical genealogies of the self-improving economically oriented subject, scholars have chronicled the reconfigurations of work and social welfare that have called on individuals to embody risk in novel ways, especially in the context of transnational flows of capital and deepening global inequality.11 Within the broader global ascendancy of unfettered markets and the obsession with economic growth, Fundación Paraguaya’s persistent return to the theme of entrepreneurialism—of which the Ikatú initiative was the latest iteration—might seem unsurprising. However, the social solidarities that were thought to anchor microcredit loans were often in tension with the individual drives and personal autonomy that Martín associated with entrepreneurial spirit.12 This tension also has deep roots, particularly in Latin America. The Ikatú project did not, of course, spring sui generis from Martín’s creative imagination. His commitment to entrepreneurial spirit was part of a long trajectory of development interventions in Latin America, especially as these were tied up with structural adjustment programs that shifted control of national development away from the state and ostensibly toward the market.13 As I argue here, this model of connection between microentre-
preneurs and the market is particularly vexed in the context of microcredit: a development tool premised on social solidarity in microcredit groups that were held jointly liable for one another’s loans as a condition of borrowing. Tellingly, in the Fundación’s model of entrepreneurship, the cross-cutting obligations, affiliations, and relations that span and connect individual economic actors were recast as a site of anxiety when a single connection—of the entrepreneur to the market—was given absolute priority.  

As Carla Freeman (2007) has argued, unexpected tensions can emerge when globally circulating economic frameworks like entrepreneurialism collide with similar value systems that have their own cultural-historical conditions of emergence. She points to the overlap of neoliberal ideals of flexible risk-taking and self-fashioning, which shared contingent and unexpected similarities with Caribbean values of reputation. In her research on middle-class entrepreneurs, this confluence is particularly puzzling since the appeal of reputation in Barbados hinged on its subversion of colonial formations of hierarchy and respectability. She asks, What tensions might this overlap expose?  

The polysemy of entrepreneurship in Paraguayan microfinance participates in similarly unexpected alignments and complexities. For instance, within global development frameworks entrepreneurship has played a central role in the widely influential United Nations Human Development Reports (UNHDR). Within this policy framework, women have been considered especially vulnerable to the coercive and constraining force of the cultural, social, political, and economic systems in which they were embedded. Liberation of women through the market as a mechanism for expanding freedom and choice became a central focus of antipoverty programs after the human development turn of the early 2000s. In fact, the conflation of “active agent” with “entrepreneur” built out of Martha Nussbaum and Amartya Sen’s scholarship and policy advocacy on a Capabilities Approach to development, conceived as an expansion of an individual’s choice set. In the UNHDRs, which sought to draw out specific metrics and measures from the philosophical liberalism of Nussbaum and Sen’s research, the market was framed as the realm par excellence of action and choice. In fact, the connection was drawn explicitly, as the UN report that laid out a working definition of human development means was given the eye-catching title The New Wealth of Nations. As framed in the UNHDR working paper, “So human development empowers people to be responsible and innovative actors. Because human development views people
not as passive victims but as entrepreneurs and active agents, it helps people to help themselves” (Alkire 2010; my emphasis).

By equating entrepreneur and active agent within the UN human development framework, it often seems as though these qualities are conceived of as agents of change in and of themselves but only once they are incarnated in an individual. However, in Paraguay the conflation of entrepreneur and active agent is talked about rather differently. In Committees of Women Entrepreneurs, individuals were often thought of as agents of change, and the qualities of entrepreneurship were descriptors of the person’s activities. In fact, many women borrowers who were clients of the Fundación expressed their admiration of successful neighbors and family by commenting that they were “very active ladies” (mujeres muy activas). Being an active agent and being an entrepreneur in Paraguay drew on local tropes of the hustle and bustle of deal making in the commercial economy. Ña Fabiana, a microcredit borrower who split her time between selling clothes to her neighbors, cultivating houseplants, working as domestic labor, and selling catalog order cosmetics, among other enterprises, was described to me by both her neighbors and her credit counselor as “a very active lady.” Like Martín and Cynthia, Fabi often seemed out of breath as she rushed from one task to the next. Her business activities (actividades) were embodied and enacted daily. Most recently, as digital media and cell phone–mediated Internet access has swept Paraguay, Fabi’s Facebook feed showcased a nearly continuous stream of beaded sandals that she had decorated and was advertising for sale to her network of friends. I couldn’t help but feel that the visual performance of the constantly updated social media bore remarkable similarity to Martín’s constant stream of new project ideas. Fabiana’s energy was infectious. It propelled her onward in her incessant search for new ventures. This sort of “activity” was particularly prominent in the border town of Ciudad del Este, where commerce was so central to everyday life. In fact, it had been built into the very fabric of the town.

When I began mapping out the many ways that entrepreneurship was invoked during my time at Fundación Paraguaya, I was constantly reminded of Paraguay’s reputation as a commercial hub in the region. This idealization of commercial growth has deep roots in classical economic thinking, harkening back to Adam Smith’s criticism of colonial trade monopolies. Smith’s theory of trade policy—and especially the scorn he heaped on encumbered goods, taxes, and restrictions on colonial trade—was based on the maxim that commerce should generate the
most good for the most people. Despite the fact that a certain class of merchants profit from these restrictions, he argued, “to found a great empire for the sole purpose of raising up a people of customers, may at first sight appear a project fit only for a nation of shopkeepers. It is, however, a project unfit for a nation of shopkeepers; but extremely fit for a nation whose government is influenced by shopkeepers” (Smith 2000: 780). Since Ciudad del Este is an important regional bottleneck in the contraband trade, as well as commercial exchange more generally, Paraguay has often been framed by its neighbors as precisely such a nation of shopkeepers.

Rather than consider creativity, innovation, and entrepreneurship transformative agents of change—as do the UNHDR reports—the free-market policies in Paraguay have long benefited those people who are already positioned to leverage their personal “activities.” In fact, the political architect of Ciudad del Este, Edgar Ynsfrán, had commerce in mind when he began planning for Paraguay’s expansion eastward from the capital city in the 1950s. From the passenger seat of an old Catalina bomber making a reconnaissance flight of Alto Paraná in 1956, Ynsfrán, the regime’s powerful minister of the interior recalled that the treetop-skimming vista “influenced [him] in a singular manner” to reconsider Paraguay’s borders in terms of pathways that commodities take to the global market. His aspirations for a new city in the east were already interwoven with a bigger story about landlocked Paraguayan exports to the global economy. An international highway was slowly being cut through the 350 kilometers of dense forest between Asunción and the Brazilian border to the east, where it would connect with a highway to take exports overland to the port city of Santos on the Atlantic coast of Brazil. Returning to the site that he had seen in the overflight, Ynsfrán oversaw the inauguration of the city of Puerto Presidente Stroessner on February 3, 1957.

The city was conceived of and built with Brasilia—Le Corbusier’s modernist planned city that became Brazil’s national capital—in mind. Indeed, many of the engineers and urban planners that were recruited by Ynsfrán drew inspiration from modernist icon Oscar Niemeyer, whose projects were also being executed at that same time in Brazil. But Brasilia was planned and built based on a theory of state-led economic
“developmentalism” (Holston 1989: 18). Developmentalism was an extension of Brazil’s national program of import substituting industrial (ISI) development and national integration that was inward looking, aimed at protecting budding national industrial sectors. For instance, the rattletrap 1970s-era VW Bug that I drove during fieldwork was built by the Brazilian auto industry as part of the ISI economic strategy. Following the development economics precepts laid out by Latin American thinkers including Raúl Prebisch of the immensely important Comisión Económica para América Latina in the 1950s and 1960s, Argentina and Brazil both erected high trade barriers in an effort to protect domestic industries and spur growth from within the nation’s borders. In keeping with Paraguay’s long legacy of international commerce and economic liberalism, Puerto Presidente Stroessner was aimed instead at a model of economic development that prioritized free trade, commercial development, and inter-national integration.

The differences between these two models of development inspired planners to conceptualize these cities in remarkably different way. In Ciudad del Este, the actual work of planning, zoning, and building large tracks of the city was immediately privatized in 1960–61, and a major commercial interest took the lead in construction. Large areas of that newly cleared land were quickly turned into a commercial barrio. In fact, Ynsfrán eventually brokered a deal that resulted in a sale of vast areas of the proto-city to Elías Saba, an important Paraguayan businessman. In the short term this was probably not a very remunerative venture, but later Saba’s investment returned a veritable fortune. Thus the model of city planning was imagined by Paraguayan technocrats to be self-constituting through market speculation and real estate profits as the engine of both economic growth and urban development.

This model of development reached its peak with the 1970 approval of the Free Trade Zone, or Zona Franca, in Puerto Presidente Stroessner. The legal framework for the Zona Franca was debated in a special session of the Paraguayan Senate on Wednesday, December 16, 1970, some thirteen years after the city was founded. The region had long been a hub of cross-border smuggling, so the legislation did not create cross-border commerce de novo but rather was intended to channel and regulate flows that already existed. The crux of the debate was around who would control that trade, especially the provision that authorized the executive power to approve the contract and concession for the Zona Franca. Along with the legal framework for free trade, the Senate also gave a private conglomerate, aptly named Bussines [sic] Company SRL, the
right to operate the zone. When other senators expressed doubts about the international makeup of the consortium, including partners from Brazil, Argentina, and Singapore, the bill’s sponsor responded that “capital does not have nationality.” Not satisfied, the opposing senators worried that foreign capital would serve as a “mode of penetration,” relying on a clever turn of phrase linking licit and illicit business practices: “Esta no es una firma de negocios Company sino de negociados Company,” which is loosely translated as “This is not a business Company but rather a [clandestine] deal-making Company” (my emphasis). “Negocio” was too close to “negociado” for the senator’s comfort. This debate staged concerns about the people behind Ciudad del Este’s commercial dynamism. Powerful interests like Bussines Company SRL and Elías Saba were considered agents of development—literally building the city from its foundations—but only because they were already well positioned to leverage their considerable political and economic clout. (Fig. 3.)
Against the UNHDR development model of entrepreneurship as an agent of change, the duty-free zone hinged on the powerful business interests that leveraged Paraguay’s market-centered development policies. In fact, the Zona Franca could not parachute in to the region, as depicted in a political cartoon accompanying an editorial published in Paraguay’s leading newspaper. Rather, it grew out of the existing distributional order of commercial capitalism in Paraguay. This was precisely because the alignment of private interests and state authority was hardly unusual under the Stroessner administration. In what Lambert and Nickson (2002: 167) call “the privatized administration of the state” in Paraguay, there were “strong historical links between the fledgling private sector and the state in this weakly industrialized country. The most powerful industrial groups in the country have all amassed their wealth via, rather than in opposition to, the state.” This policy went well beyond political patronage and control of public sector enterprises. In a 1965 interview, President Stroessner went so far as to comment that military control of the growing contraband trade was “the price of peace,” which suggested that “military discontent was lessened by the prospect of rich picking to be gained through officially sanctioned illicit activities” (Lambert and Nickson 1997: 25). High-ranking members of the Stroessner administration were caught up in drug and arms trafficking, as well as other commercial contraband, most famously in the Ricord Affair (1971–72), a weapons and drug scandal that implicated Stroessner’s second in command, General Rodriguez. The military junta that profited from the smuggling trade backed Stroessner’s usurper in a 1989 coup d’etat, which ultimately put Rodriguez in power as Stroessner’s successor.

In effect, Puerto Presidente Stroessner’s special customs zone gave duty-free status to an economy that was never regulated and did not impose customs duties in the first place. By formalizing the regulatory regime in Puerto Presidente Stroessner, the Paraguayan legislature gave minimal regulations to a zone that had been built and managed on an almost entirely ad hoc basis by politicos and technocrats at the Paraguayan Interior Ministry, in concert with the business interests of wealthy investors. The most remarkable thing about this legislation is that it named the city a special customs zone—that is, gave it a regulatory framework—even as the economic regulation of the city was being dismantled by the Bussiness Company SRL and other private commercial interests. The coincidence of economic regulation (through legislative decree) and dismantling of economic regulation is, I suggest, itself a
theory of development. The development of commercial society is markedly different from either state-led development that seeks to generate economic growth through centrally planned economic policy or neoliberal development that hollows out those state-led development initiatives and opens them up to market forces. Since Paraguay has long been a crucible of financial experimentation, economies of debt in Ciudad del Este can offer a preview of the shape that financial relations might take in ever more deregulated economies in the Americas and elsewhere.

With this colorful history of entrepreneurialism as a value system and development model as the backdrop to Martín’s Ikatú initiative, we might well ask what is at stake in the union of “entrepreneurs and active agents” as an explicitly gendered phenomena centered on women’s access to credit. It is important to keep in mind the important argument in economic anthropology that capabilities are not abstractions, separate from the people who embody them in particular moments, contexts, and locations. Explaining her concept of “sentiments as forces of production,” Sylvia Yanagisako (2002: 11) has convincingly argued that “all human capacities that can be used in production, after all, also constrain and shape processes of production. As human capacities, they are not merely passive resources to be used in a neutral way for the sake of an acultural process of production. These human capacities, moreover, are constitutive of social actors themselves.” For Saba and the Bussines Company, business acumen was thought of as a personal characteristic that they could harness to make profits or even to build a city and a region. By contrast, poor women’s capabilities were positioned by the Fundación as the neutral ground on which culture and gender as difference could be framed rhetorically.

Martín’s position at the helm of Fundación Paraguaya’s project of entrepreneurialism is especially vexed because it is precisely his deft handling of leadership, innovation, and management that eclipsed the projects of women like Cynthia and Fabiana. At first I sought to level the playing field and represent the competing entrepreneurialisms enabled by the NGO on somewhat equal terms. As I returned to my field-notes in search of women’s voices and stories that could cantilever Martín’s outsized place in the narrative, I realized I was going about it in exactly the wrong way. In fact, what I was describing was an asymmetrical phenomenon. On the one hand, I found Martín’s appropriation of the vocabulary of Silicon Valley venture capitalism fascinating and compelling. He has maneuvered a grassroots Paraguayan NGO into a position of enviable policy importance on the national and international
development scenes. On the other hand, his seemingly effortless mastery of the sort of entrepreneurialism epitomized by Ciudad del Este and the national development imperative of free and unfettered markets actually carved out a contrastive space of small-time activity for small-time women entrepreneurs. When "entrepreneurs and active agents" was inflected by the gender and class distinctions that stratify labor at the NGO, the apparent sameness of entrepreneurialism concealed important differences. By dint of being privileged as the marked site of entrepreneurialism, Martin’s very success paradoxically served to silence the voices of Cynthia and Fabiana, who could not articulate their “activity” in his terms.

FINDING “GREEN WOMEN”

Martín was omnivorous in his consumption of materials that might offer ideas for new projects and approaches. His effort to be “disruptive”—in the idiom of venture capital—filled his bookshelf with a wide range of material. In both Spanish and English, the titles ranged from self-improvement manuals to business handbooks: Alcoholics Anonymous sat alongside New Age integral theory26 and Peter Drucker’s classic management theories. Hence, it might appear as though he was a bricoleur, scavenging a pastiche of ideas and philosophies to craft his development programming. However, part of what I think Martín was up to in his out-of-the-box thinking could be read through the lens of classic definitions of entrepreneurialism. Martín was in a position to take on the risk of profit or loss by innovating development ideas. A great deal of what he risked was his reputation by experimenting with unconventional management and project paradigms. His strategy was more TED Talk than financial expert, in line with microcredit 2.0 in the age of social media, design, and Web presence. Here I explore the tensions in this model of entrepreneurship, especially when it is applied to microcredit social collateral, a development context premised on distributing risk across a collective.

The Ikatú initiative at Fundación Paraguaya was part of this broader trend in global development, emphasizing the increasing freedom, choices, and personal agency of program participants. As the project got under way in 2009, Martín characterized the Ikatú development program as a “holistic approach to poverty alleviation.” The holistic approach hinged on a nationwide survey instrument that Fundación Paraguaya was piloting to measure and assess the socioeconomic status
of borrowers. The six poverty categories that he outlined corresponded to a large degree with the capabilities measured by the Human Development Index (HDI): (1) income and employment, (2) health and environment, (3) education and culture, (4) housing and infrastructure, (5) organization and participation, and (6) “interiorization” and self-liberation/motivation. Martín was most enthusiastic about the final category; he claimed that it was not just a tool for measurement. Instead, he thought that the survey would further the process of interiorization itself. Survey takers wouldn’t just measure interiorization; taking the survey would actively promote it. To that end, he tasked a member of his staff with translating and editing an English-language version of the Alcoholics Anonymous handbook for overcoming addiction, citing it as a methodology that was proven to bring about a transformation of consciousness that and might help overcome poverty. In a sense, Martín started with the conceptualization of poverty established by the HDI but located the process of development or capability building in the tool or the index itself. And importantly, the interior qualities that Martín wanted to foster were grouped broadly under what he called “entrepreneurial spirit,” which he defined as capacity for adaptation and innovation, autonomy, capacity to make decisions, self-esteem, and self-worth.

When I followed up with Martín about his sense of where entrepreneurial spirit comes from, he responded that women who were enrolled as clients of the credit cooperatives were already involved and self-selected since they had thought through the risks of joining the group, which shows that they were already motivated. “So they already have the spirit,” he suggested. In his reading, a particular economic orientation—seeking a line of credit—points to an interior progression that is already on a path to development. And this was the working assumption the Fundación was already making based on its capacitaciones for Committees of Women Entrepreneurs. By locating development in the interiority of individual women, Fundación staff would be able to read signs of internal progression by observing certain categories of behavior in the world—what the Fundación glossed as risk-taking behavior. As a consequence, Ikatú assumed that this association ran the other direction as well: internal transformation would have legible effects in the world, or rather the internal development of program participants and social development goals tied to the moral or ethical imperative of eliminating poverty were entailed in one another.

In July 2010, eighteen months after first articulating the methods and aims of the Ikatú project, Martín convened Fundación Paraguaya’s fleet
of nearly thirty summer interns—almost exclusively students from the United States and Western Europe—to discuss the progress made on the mission goal: eradication of poverty. Throughout the discussion, Martín continually cited the need to, in his words, “change the culture” in order to eliminate poverty and succeed with the Ikatú initiative. He told the assembled NGO workers, “The culture has to change. It is really difficult to change the culture, but the culture exists.” In opposition to abstract capabilities, Martín’s framing—“the culture has to change”—posits a systemic and external force with an ambivalent relationship to personal agency. However, if culture is hard to change, individual transformations through awareness (à la Alcoholics Anonymous) are set up by Ikatú as a counterpoint that could provide a framework for changing culture laterally.

The key element of change, Martín suggested, was motivation and skills—the interior qualities that he associated with entrepreneurial spirit—which figured as capabilities that could be mapped across culture: “personal motivation and group motivation, and also structural motivation.” In order to get at these motivations and drives, the Ikatú working group had crafted fifty indicators to measure poverty. Opening a spreadsheet on his computer and projecting it on a screen, he talked excitedly about the initial findings of the survey, conducted with twenty women in a handful of Committees of Women Entrepreneurs. On the spreadsheet women’s names and microcredit committee information were listed in column headings at the top of the screen, while the fifty poverty indicators were listed in consecutive rows. The 12-point font projected on a screen at the front of the room was nearly impossible to read; we all leaned forward, squinting to decipher the minuscule text. The graphic was dizzying. But it was also a powerful visual tool. Martín explained, “We have made this ‘traffic light’ to see the map of poverty in this group.” He continued, “And we’ve said that green is ‘no poverty,’ yellow is ‘unsatisfactory,’ and red is [drawing a finger across his throat] ‘ghack.’ [We have to have] a simple way to look at the problem, because if not, it will seem so complicated that we go back to income. . . . Everybody looks for an index, and this is the first.”

Large patches of each color appeared in places, an apparent unity across people and along indicators. When one of the interns asked about a large block of green cells toward the top of the spreadsheet—nobody could read the text—Martín squinted at the computer screen and responded that they were credit and banking services, which were green because they were Fundación Paraguaya clients, so of course they
would have access to financial services. He also explained that a large red block that shot across the columns of most women corresponded to documentation, including municipal permits for small businesses. “This strip of red [women] is the ones who do not have documents. They do not have property documents for their houses, they don’t have commercial licenses from the municipality. They are informal. There is a problem with this, right? Their capacity to generate income is seriously limited because they do not have papers.” It is actually not at all obvious that the red box (documentation) had anything to do with the capacity to generate income, since most microcredit clients do not invest in a single business per se but like Fabiana are involved in “actividades” more broadly, most of which required little licensing or regulation. And further, powerful entrepreneurs in Ciudad del Este made canny use of minimally documented trade to accumulate vast fortunes. It was their basis for negociados and profitmaking. Despite this, it was clear from the red band on the chart that it was a characteristic that most borrowers reported as having in common.

Instead of focusing on the similarities between women, however, what Martín found much more compelling were what he dubbed “the green ones” (las verdes): not the categories but the women who were green. He observed, “They all live in the same barrio, right? How is it that there are people in that same barrio, who are not poor, should be poor—what happened with her?” The conclusion that he drew is that they must be animated by a different spirit, have different motivation, have a different capacity for innovation. By way of explanation, he read the list of interior measures of poverty: “Capacity for adaptation and innovation, that is the entrepreneurial spirit. . . . And autonomy and capacity to make decisions. This is as important as having a roof, windows, food, refrigerator, documents, etc. . . . This is a fantastic experiment.” He dubbed the green columns the “positive deviants,”28 the women who, given their demographic and socioeconomic conditions, should be poor but are not. For Martín, these women were islands of green entrepreneurialism in a sea of poverty.

In the Ikatú stoplight, Martín was chasing after the elusive drives and motivations that animated a particular person to push past her “culture” to pull herself out of red and yellow and, against the odds, achieve green. Martín located these characteristics in the columns—in the personal biographies of the women who represented positive deviants—rather than in any of the rows of the spreadsheet, which tallied the broader social and economic conditions that contextualized her
personal capabilities. In this sense, the Ikatú program “disrupted”—to borrow another tech world phrase—conventional forms of analysis. To read the spreadsheet horizontally, as most of the questioners including me seem to have done, is to conduct something of a protostructural or environmental analysis and track variation according to people’s access to a particular social good. In fact, this was often the approach of classic development anthropology studies using Rapid Rural Appraisal methodologies and community mapping. To read the spreadsheet vertically, however, is to insist on the coherence of the individual respondent’s unique psychology and sociology. Indeed, in a later framing that circulated widely as part of Paraguay’s national development initiative, that individuality became the centerpiece of the project. What I want to underscore here is the ways in which the interiorization of poverty naturalizes and individualizes capabilities, especially the categories that are supposed to be key skills to eliminate poverty.

The survey project was ongoing through the eighteen months of my fieldwork in Paraguay from February 2009 to August 2010 and appears to be ongoing up to the time of this writing in 2015. In the course of my trips back and forth between the central office in Asunción and the regional office where I conducted the majority of my fieldwork, I had many extended conversations with one of Fundación Paraguaya’s interns, an American who had spent six months in Asunción working on the Ikatú project. He was the person tasked with developing the fifty indicators and participating in the very long interviews with borrowers that eventually yielded the traffic light map of poverty. He was finishing his master’s degree in international studies at a university in Europe, and his internship at the Fundación would provide the case study that would form the basis of his MA thesis. He had recommended to Martín the American management theory bestseller The Influencer: The Power to Change Anything (Patterson 2008). The management gurus of The Influencer proposed the theory of positive deviance that later, along with integral theory, became a central pillar of the Ikatú project.

In our informal discussions, the intern summarized his sense of what the survey results had shown so far, or rather his gut feeling before any of it had been fully synthesized. Based on his interviews with Ikatú survey participants, he told me that the team had found that successful cases at Fundación Paraguaya were all women who had traumatic episodes in their past: they had to leave their husbands or their families because of abusive relationships or the death of their spouses or parents or children. They had lost everything and had moved to a different city, starting over
from scratch. He observed that there must be some resilience in these women, an inner strength or spirit that other borrowers did not have. He concluded that confronting hardship had made them stronger and given them the consciousness, the perspective, to radically change their lives. This is, of course, part of a wider narrative trope in international development, especially development programs targeted at women. Past crises are often invoked in the narrative of overcoming hardships. What was unique about the *Ikatú* intern’s description of the green women was the tight link between entrepreneurship and past trauma that left them socially isolated and compelled them to start over from scratch.

In my conversations with the intern, I commented that what these positive deviants also seemed to have in common, aside from entrepreneurial spirit, were unique disentanglements from other social responsibilities. If microcredit is premised on social connections, then these women seemed to be free from those obligations and responsibilities. Their entrepreneurship followed the radical breaking of social ties. Like Martín’s ability to risk everything in pursuit of innovative ideas, the borrowers who epitomized *Ikatú*’s success were also remarkably self-possessed. And if entrepreneurship is at least in part about the ability to take on risk (and profit by it), then the only women who seemed able to inhabit the ideal of entrepreneurship have a personal biography that can be mapped onto a spreadsheet column without other social duties and ties crowding in and muddying the crisp attribution of personal decisions and choices to economic effects in the world. Fundación Paraguay’s staff agreed and framed this as a narrative of personal triumph.

If, as Martín suggested, the first sign of entrepreneurial spirit can be gleaned from seeking out a group-based loan that relies on social collateral—social support and peer pressure to ensure repayment—then the final achievement of entrepreneurship was, ironically, profoundly antisocial. Indeed, there appeared to be a mismatch between the ideal of entrepreneurship developed by Fundación leadership and the institutional context in which it was attempting to unlock the entrepreneurial spirit of its clients: credit collateralized by social solidarity. For women borrowers, creative destruction meant that they were socially autonomous enough to be the unitary source of economic creativity and decision making. The tabula rasa entrepreneurial spirit, for Martín, was buried underneath layers of culture and sociality that needed to be stripped away to reveal the green women. In the final analysis, internal capabilities stood in contrast to the solidarity loan concept that framed *Ikatú* in the first place.
Debating the sort of person who might be considered entrepreneurial with the Fundación intern made me recall one of the major points of contestation among the project team. After looking down the list and listening to the concerns voiced by his team, Martín suggested that “we would have to go along calibrating the questions to get exactly what we were looking for.” Running his finger along the list, he paused: “There are too many unnecessary questions. Are you single or married? is a foolish question. I want fifty questions that will be indicators of poverty. How poor are our clients really? Are these problems that can be overcome?” For managers on the project, then, relationships that might constrain personal choice seemed at best peripheral. By focusing on interior motivations, the connections that might dilute or destabilize the personal drive to innovation and success, responsibilities that might exceed individual economic decisions, and obligations that spill over to other realms of life—other rows on the poverty traffic light spreadsheet—threatened the sense of personhood that was both the starting place and the endpoint of the Ikatú program. Social connections were viewed as an opportunity but only when they could be instrumentalized to connect women as entrepreneurs to the market. By contrast, social connections like kinship ties could not, in Martín’s view, be instrumentalized as an internal capability.

BORROWING AND BUSINESS

What did the economic “activities” of women who borrow—including the “green women” of the poverty traffic light—look like in the everyday? For microcredit borrowers living and working in the urban periphery of Ciudad del Este, the model of entrepreneurial independence articulated by Martín often mapped unevenly onto their daily dilemmas. In a context where humming commercial trade downtown made enterprise so much a part of daily life, a whole host of social relationships provided the contexts for—and constraints on—doing business in the city center. Rarely if ever were economic decisions made by an entrepreneur in pursuit of an innovative business idea. More often, small businesses worked in petty arbitrage, buying bulk commodities (packages of diapers, smuggled foodstuffs, designer jeans) and selling them locally. At other times, informal services like preparing and selling food, cultivating decorative plants, taking in laundry, selling cell phone minutes, or operating a small grocery shop were hooked into the cheap availability of manufactured products available in the downtown wholesale markets. The most
successful businesses were deeply enmeshed in neighborhood and kinship networks rather than the result of the entrepreneurial spirit of independent and autonomous businesswomen. Indeed, there was a finely honed local discourse to talk about the edges and boundaries of these diffuse social connections. People frequently invoked the local term for “stranger,” *persona ajena,* to draw the boundary of interdependence. Women discussed feeling out of place or on edge when visiting an unfamiliar home (*casa ajena*) or when people made free use of things that were not theirs (*no hay que tocar cosa ajena*) and judged neighbors who left familiar networks to visit others (*persona ajena*). Value transformations between social proximity—or its opposite, *persona ajena*—and economic resources were a practical way of materializing regimes of social obligation.31

In the face of these many economic interdependencies, microcredit borrowers strained to articulate and define the boundaries between business relationships and social obligations. I spent five months actively involved in one such neighborhood, Ciudad Jardín.32 This neighborhood of about eighty households in an informal housing settlement also had several microcredit Committees of Women Entrepreneurs organized by Fundación Paraguaya. Social and economic obligations reached out to claim my time and attention for various neighborhood activities, from a local charity dedicated to preparing lunch for schoolchildren in the settlement to political efforts to formalize land titles to planning community festivals for major holidays. I, like many of my friends and contacts, soon found that my commitments far outstripped my ability to fulfill them. The obligations underwrote many financial debts. Moving beyond a narrow (and in her view, mis-)reading of Mauss’s canonical study of gift exchange framed in terms of self-interest and reciprocity, Guyer (2012: 500) challenges us to rethink obligation “in the reflexive continuous voice of being tied and bonded in order to feel free to be remade by the animated things that circulate in the world.” The cross-cutting obligations of Ciudad Jardín challenged me to re theorize obligation in precisely such a “reflexive continuous voice” while noting, too, that money might be one of the animated things that exerts such binding claims in social practice.

Doña Claudelina probably would have been categorized as a “green woman” if she were to have been enlisted in the *Ikatú* survey project. Her spacious brick house on a corner lot in Ciudad Jardín was ideally positioned for her to pursue her favorite pastime: exerting her influence in neighborhood life, from greeting passing vehicles to drawing people onto
her porch to share the latest news. The terminus of the Ciudad Jardín bus line ended just in front of her home, which meant that she could supervise the comings and goings of people in the neighborhood. Despite being a fixture in neighborhood relations, however, Doña Claudelina told me that she had only moved permanently to Ciudad de Este later in life, having sold her father’s orange groves in a rural Alto Paraná district on his death. A well-coiffed woman in her fifties who always wore tasteful makeup and a stylish haircut, Doña Claudelina was justifiably proud of her economic upward mobility. When I asked what she did with her microcredit loan she laughed, telling me that she had earned the right to relax after toiling in the countryside for most of her adult life. Her husband paid the biweekly loan installment from his income; she never told me what he did, a common omission for those with business dealings in the smuggling trade. She used her microcredit loan to secure a constant stream of revenue that was under her control while simultaneously ensuring that her husband’s income was channeled back to the household. In the day-to-day management of her finances, Claudelina focused on keeping her group organized—something that she took extraordinary pleasure in—and managing her household affairs. She was widely respected, and even a bit feared, in her role as the treasurer of her microcredit group.

This is not to say that Doña Claudelina thought about her microcredit group in romanticized terms of collective belonging and women’s solidarity or that she took on the responsibility out of magnanimity. In fact, she gave the impression of being utterly ruthless about her management role. In a mixture of Spanish and Guarani, Claudelina told me about payment problems within her group.

_Claudelina_: Last time my associate told me, “Do me a favor and make my payment with our [joint] group savings.” I told her, “No! From the group savings, no way! You’ll have to look around and bring your payment to me, and right away [because the group won’t help].”

CS: And did she find it?

_Claudelina_: Yes, she found it. You have to find it, I told her, or go pawn your washing machine, or if not that, your television.

CS: Could it be that she pawned her TV?

_Claudelina_: Yes!

CS: Seriously?

_Claudelina_: Yes.

CS: What did her husband say? Suppose he was in the middle of watching a soccer match . . .
"Claudelina: “Why don’t you [the husband] contribute, then?” is the question. That’s my condition. Because we can’t take it out of group savings, I won’t touch even one guarani of the [group] savings. . . . You have to pay. The day the installment comes, we [the group] have to put down the money.

It is striking that Claudelina began her tale of accounting for the microcredit payment by referring to her group member as “my associate.” It was common for borrowers to talk about their microcredit committees as business affiliates even when the group comprised close friends and relatives. Thus it is unsurprising that Claudelina’s hard line on the group payment points to the priority of microcredit loans over other types of earmarking and claims on income, since the social unit of debt was the shared business association. As a consequence, though, the bill implicated not just her group member but also the member’s household. And Claudelina made sure to draw the connection and make the material link explicit.

The entanglements of credit and debt were felt most acutely when there were shortfalls but were also at work when there were surpluses and excess income. Moments later in the interview Claudelina recounted a microcredit success story from her group. A member of her group used her $100 loan to buy an electric washing machine so that she could set up a laundry service at her home. With a lump sum of $100 her neighbor could buy the machine in cash rather than on the more expensive payment plan so that it was worth her while to use the Fundación’s loan. When I asked what the woman’s husband thought about her work, Claudelina laughed again and said that he had given his wife the matching clothes dryer as a gift. “He works at an ice-cream shop downtown. And now with the laundromat at his home, with the money from Fundación Paraguaya,” she said, beaming.

What went unremarked in Claudelina’s account (and accounting) was that the two domestic appliances arrived in her neighbor’s house through complicated forms of redistribution, return, and repayment that coupled the money from the Fundación with the income from work downtown and then to a laundromat in their shared home. One circuit of repayment—the Fundación—took the form of regular weekly loan installments. The clothes dryer was a gift. But both were vulnerable to the forms of return demanded by the microcredit loan; either appliance might end up in the pawn shop if the debt intruded too far into the household. As Claudelina’s unsentimental reckoning of the intractable payment system of the Fundación went to show, “The day the installment comes, we
have to put down the money” or pawn precisely that appliance that anchored the family enterprise, or perhaps the gift it had inspired. Like Karl Marx’s coat, which shuttled back and forth from the pawn shop in order to sustain his work and his household (Stallybrass 1998), the regular return of the Fundación’s solidarity loans magnetized the circuits of obligation within the group and the neighborhood. Claudelina’s role, like Martín’s, was to make sure that accounting stayed in spreadsheet columns rather than rows. Part of being an entrepreneur entailed keeping a line of sight on individual women and their payment stories and thereby producing “active agents.”

CREDIT COUNSELORS AS ENTREPRENEURS

In my eighteen months of fieldwork and subsequent years of intermittent contact with the management staff of the Fundación, Ikatú remained a mission goal of the organization. Martín’s objective of unlocking the entrepreneurial spirit of the organization’s microfinance clients remained a priority of the head office and the motivating force for numerous funding proposals, including a grant from USAID and another proposal to the Inter-American Development Bank. By 2014 Fundación Paraguay reported that the traffic light project was being piloted in eighteen countries around the world. But with all of that, Ikatú did not immediately alter the daily management of credit undertaken by the regional offices. That is not to say, however, that the mission of entrepreneurship did not have important consequences for the Fundación’s staff. Indeed, the Fundación was in many ways extraordinarily successful at enrolling young, socioeconomically disadvantaged women in its project of entrepreneurship. These young women were not the Fundación’s clients but rather its employees (fig. 4). Here I tell the story of the tensions within entrepreneurship as it took hold of the bank work of Fundación staff and not just development interventions reshaping the subjectivities and livelihoods of borrowers.

Cynthia, the credit counselor I described at the beginning of this chapter, was one of several young women who administered the Fundación’s loans to Committees of Women Entrepreneurs at the Ciudad del Este branch office. Being a credit counselor at Fundación Paraguay involved managing dozens of Committees of Women Entrepreneurs, but the professional identity of branch manager (gerente) was reserved for their boss, who managed their labor and oversaw the loan portfolio of the office. The Ciudad del Este office itself managed a portfolio of
$600,000 of debt.34 Seven out of ten clients were part of the Committees of Women Entrepreneurs program, but they represented only a quarter of the finance capital of the office, or about $150,000. The balance went to individual microloans in support of already existing small businesses, which were eligible for much larger lines of credit. In practice, this meant that the three young women who worked as credit counselors were tasked daily with negotiating loan contracts, completing lending documents, supervising debt repayment, and renewing loans for another

Figure 4. A credit counselor at Fundación Paraguaya working on the Ikatú project.
borrowing cycle for a staggering number of women: between six hundred and nine hundred borrowers each.

Cynthia was an anomaly among her colleagues in the office. Intensely ambitious, she was rather a divisive figure; the others viewed her as selfish and instrumental in her everyday dealings with both clients and fellow staff members. Other staff members complained, for instance, that she took more than her share of printed forms and monopolized the time of the office secretary, who printed and collated credit scores and loan paperwork. The office politics bubbled up in part due to her success in the regional office. In fact, Cynthia was so effective at enrolling Committees of Women Entrepreneurs that she won the NGO-wide competition for best credit counselor and was ultimately promoted to the rank of loan officer in the Ciudad del Este office.

Professionalization within the organization tacitly recognized the career limits of administering credit solely to women. In other words, the professional identities of credit counselors were always marked by gendered social collateral, with the tacit acknowledgment that they were working on a specialized development product rather than being regular bank workers. Because of this, credit counselors sought ways to professionalize themselves further and move up in the office hierarchy. Cynthia and her colleagues were involved in specialized training programs aimed at fomenting their entrepreneurial acumen. In one telling instance, the Cisco Entrepreneur Institute WebEx online training program offered credit counselors modules in small business management. Paradoxically, their professional labor, their clients’ businesses, their own loan portfolios, and the mission goals of the NGO all orbited around the concept of entrepreneurship, which threatened to cut across and collapse those categories. Such was especially the case because the Cisco WebEx program was vicarious entrepreneurship training that offered credit counselors training in management science. Credit counselors were not business owners or investors themselves but rather managed the loans of clients who were. What is more, the training itself closely resembled the capacity building workshops aimed at microcredit clients under the rubric of development programing, which further troubled the status of the professionalization training. Entrepreneurship itself chafed against the professional possibilities of a managerial position.

One might imagine that the stable, salaried labor position at an NGO would mean Fundación Paraguaya staff members were quite the opposite of creative risk takers and business innovators. However, the Committees of Women Entrepreneurs were in practice the locus of constant
Entrepreneurship

adaptation and innovation. In fact, it was Cynthia who excelled at creatively adjusting to changing market conditions, shifting risks, and intense competition. As Cynthia constantly scrambled to recruit new microcredit clients and reenlist existing clients in higher cycles of borrowing, she seemed to exhibit precisely the entrepreneurial spirit that Martín was searching for in his traffic light of poverty. However, the resemblance between credit counselors and their clients made the professional identities of Cynthia and her colleagues particularly tenuous, especially when credit counselors were called on to use their own social skills, peer pressure, and personal relationships—hallmarks of microcredit social collateral—to manage their loan portfolios. In practice, this meant that credit counselors were sociologically indistinguishable from the successful green women who were their microcredit clients and were thought of by the NGO’s directors as needing development aid. Both credit counselors and their borrowers lived in the same periurban neighborhoods, rode the same buses to the city center, had attended the same public schools, and were intimately connected to local neighborhoods. For NGO staff such as Cynthia, upwardly mobile professional opportunities hinged almost entirely on their status as employees working on financial instruments.

One afternoon I shadowed Cynthia and another credit counselor, Ana, to a meeting with the treasurer of one of Fundación Paraguaya’s Committees of Women Entrepreneurs. Expecting a routine discussion about loan documents and payment cycles, I was surprised to find lunch waiting for us, and a table covered with scraps of brightly colored fabric and spools of thread. Ana and Cynthia explained to me that their client decorated the insulated thermoses that were popular accessories in Paraguay, used by many people to serve tereré.35 The microcredit borrower covered the generic plastic coolers with vinyl fabric and colorful stitching and sold the custom-colored thermoses to neighbors and friends. Cynthia and Ana wanted to learn how to make them themselves, and had arranged for their client to give them a lesson. In a surprising reversal, the credit counselors got a lesson in entrepreneurship from their own client as we spent an afternoon with sticky hands from gluing fabric and sore fingers from sewing the heavy material. Cynthia and Ana did not pay their neighbor for her time, nor did they buy one of her tereré thermoses as a template for future craft projects. They did, however, discuss the costs of investing in bulk supplies of coolers and fabric, strategies to sell the product through vendors in street stalls downtown, and the profit margin in making handicrafts. The borrower offered to
arrange another meeting to teach Cynthia and Ana how to make the decorative beaded sandals that she also sold. The feminized work of financial management comingled with the feminized work of handi-
crafts as we sat around the table.

This training was a side arrangement negotiated by Ana and Cynthia. It reveals the double bind of credit counselors who had so much in common with their clients that they might actually learn from them while also being tasked with exerting authority over them in their role as financial professionals. This is a double bind in the sense that efforts to manage their loans by establishing distance meant that credit counselors could not draw on the very social resources they relied on for their job. On the other side, efforts to manage their loans by establishing proximity jeopardized their professional superiority and authority when dealing with their clients. This double bind was evident in NGO-led training seminars as well. It was especially visible on the several occasions the regional staff of the Fundación was summoned to the central office for professional development. In the training seminars run by the microcredit central office in Asunción, the NGO’s directors sought to clarify for low-level staff what the organization imagined its mission to be and the place of loan officers and credit counselors in that mission. The general manager of microfinance observed that Paraguay had been getting humanitarian gifts of aid and charity for twenty years, and, laughing ruefully, he observed, “Look where it’s gotten us.” He countered that microcredit was not humanitarian aid or charity but “developing a tool.” To clarify his point, he noted, “Credit is a double-edged sword. If you give too much, you have repercussions, so you [credit counselors] are in charge of figuring that out.” Far from being a problem, though, the general manager determined that the dangers of credit were actually part of the solution, part of the task of promoting the spirit of entrepre-
neurship that differentiated microcredit from gifts or charity. Much like the human development thinking discussed earlier, Fundación Paraguay’s employees were working on a slippery object: not entirely on microcredit clients, or fully a portfolio, but a model of entrepreneurial potential.

The general manager would not let the Fundación employees leave with the impression that the double-edged sword of credit had repercussions only for borrowers. To the credit counselors, he declared that the Fundación was a company that valued its employees: “It didn’t run through them ‘ta ta ta ta [ticking off a rotation of employees].’” Smiling, he told them:
We feel a great responsibility towards you. But the only thing that could endanger that is late payment [morosidad] in your portfolio. And that really is what we are demanding. And lots of precautions with the loans that you approve. Before, we were knocking on doors to try to round up clients. Now we knock on double the number of doors and reject half of them.

In other words, he outlined two different levels of responsibility. The responsibility that the Fundación felt to its employees was mediated by the ability of those employees to pin responsibility successfully on their own clients. In declaring that preventing default was “really what we are demanding,” the Fundación also implicated an important double meaning of the Spanish term demandar (demand): (1) a demand that its employees model a certain orientation toward risk and (2) the juridico-legal contractual and legal demands against defaulting debtors that would act out that model.

The slippage around responsibility was felt deeply in the Cisco WebEx Virtual Business Training. Put simply, WebEx was an online platform that instructed users on the fundamentals of running a small business. Martín was linked into trendy international social entrepreneurship circuits as the highly visible face and spokesman of the organization. However, Paraguay’s relative obscurity with respect to emerging financial technologies meant that Martín’s networking at big microfinance conferences where he was enlisted into Cisco’s broader aims of entrepreneurship were only translated with difficulty down the line to his staff. Since Internet training reduced costs (something Cisco advertises on its website), the virtual training meant that tools like cash flow reports, financing options, and marketing strategies were presented in online modules, and the user was tested on her mastery of the concepts before moving on to the next level, all remotely, via the Web portal.

WebEx was not only remarkable for its perceptible mismatch between the sums lent to Committees of Women Entrepreneurs—starting at $65, repaid over three months—and the suggested business strategies recommended by the training module. Like the capacitación training that was supposed to go along with credit access, the Cisco business training program was clearly pitched at a different model of enterprise from the microenterprises funded through solidarity loans, businesses like taking in laundry and selling decorative thermoses. Fundación Paraguaya’s group-based loans were unlikely to provide viable financing for businesses that made use of, for instance, square-footage calculations to determine the size of a storefront when the business was run out of the borrower’s living room. Beyond the technical side of the training, the
program was also remarkable for training the NGO’s employees in small business management and entrepreneurship. And perhaps most important, only a subset of the Fundación’s functionaries was required to complete the training. The program was mandatory for the credit counselors who oversaw Committees of Women Entrepreneurs but not for the loan officers whose clients were already small business owners and might have found the training helpful. Why would the Fundación require credit counselors to complete the Cisco Entrepreneurship course?

Cynthia and her fellow credit counselors stayed late at the office for almost two weeks to complete their Cisco training, clicking through the online course and answering questions about business capitalization, optimal levels of insurance for a small business, advertising strategies, accounting, accessing a line of credit, evaluating market share, and so on. Many of these questions were difficult and highly technical, especially for the group of us, with almost no business experience, huddled around the computer terminal. The Cisco Website advertises the following: “Virtual training also helped attendees feel more connected to one another in unexpected ways. When you’re in a session with people from Dubai and South Africa and Chile, you really feel like you’re part of a virtual UN of entrepreneurial learning.” As we hunched together around the computer screen, we felt a great deal of camaraderie but with one another rather than with a virtual network extending around the globe. Unexpectedly, the WebEx training worked to provincialize and particularize our experience of entrepreneurship rather than widen and connect it. The credit counselors talked about the Cisco training as a valuable capacitación opportunity, much like the rhetoric about individual capabilities that was constantly employed in reference to the development mission of the NGO. Since credit counselors did not run businesses themselves but rather gave loans to women who putatively ran businesses, the training did not put them in contact with a large and vital human network of fellow entrepreneurs. Instead, it figured as a personal credentialing opportunity.

The importance of entrepreneurship from top to bottom in the organization was something taken so much for granted that it could go without saying that credit counselors would benefit from an online tutorial on small business management. Credit counselors were called on to model the risks of credit through their own workaday precariousness and also to act out that model through the management of their portfolios. Entrepreneurialism became the organizing principle of both their object of management (Committees of Women Entrepreneurs and
their loans) and their own professional identities. Finally, their upward mobility toward a managerial identity was through the path of entrepreneurship, laid out by the WebEx business training platform.

MANAGING ENTREPRENEURIAL SPIRIT, FEMINIZING LABOR

I want to highlight the importance of social collateral in the working out of an entrepreneurial managerial identity. Looking at this from another perspective, the imbrication of credit counselors and their clients by the WebEx training program puts in relief the economic interdependencies that regulate and sustain both managers and their clients. Importantly, entrepreneurialism creates a double bind for credit counselors who might fail to differentiate themselves sufficiently from their clients. The dynamic of entrepreneurialism laid out by the Fundación’s general manager suggested that it was entrepreneurship all the way down: the organizing principle of the employment conditions of credit counselors, the financial tools that they administered, and the borrowing of Committees of Women Entrepreneurs as clients. This meant that credit counselors had to strain to cement their identities as professionals in contrast to their clients, since neither entrepreneurship nor capacity building on its own served as criteria for differentiation.

The category of client as an object of management, however, itself was not straightforward, because credit counselors were always faced with the dilemma of managing microcredit social collateral as a financial object. The Cisco WebEx training exemplified the complex ways borrowers’ businesses were absorbed into social collateral. The Fundación’s credit counselors expressed high hopes for their Cisco training; they talked about it in terms of professional credentialing and a path to success within the office and the organization. In practice, however, the Cisco capacity building workshop began and ended with the training. Since the credit counselors did not themselves run businesses, there was nothing to manage beyond demonstrating entrepreneurial capacity via the online tutorial, which disappeared into the mysterious depths of the Internet once it was completed successfully.

Within the Fundación’s development mission, Ikatú highlighted the tension between individual entrepreneurs figured as green women and entrepreneurship brought to bear by women like Claudelina who drew together women who lived in the same communities and borrowed together as a group. This same tension appears in social collateral—the
mutual obligations and distributed liabilities that create relationships that go beyond any particular microentrepreneur. And again, this tension was evident in the Fundación’s entrepreneurialization of its staff. Credit counselors often expressed frustration bordering on exasperation when their clients chronically called them in to negotiate and administer the cross-cutting social and business ties that shot through their committees. However, they also thought of their clients’ business networks as a resource they could learn from. Their feminized labor and hypersociality mirrored the social bonds that anchored microcredit social collateral. In fact, the Cisco WebEx training placed credit counselors in the thick of that social collateral as they tried to step in to advise on and direct the businesses of their clients. If a Fundación Paraguaya employee were to assist Claudelina in collecting unpaid microfinance payments, and thus help her group stay solvent, then the line between lender and borrower in social collateral would seem quite tenuous indeed. Or if the client who made tereré thermoses enlisted the credit counselors as saleswomen for her products the boundary of professional difference might disappear altogether.

Of the several credit counselors in the office, Cynthia was the only one who stabilized an entrepreneurial identity and also successfully avoided mirroring the qualities of social collateral through her professional labor. She managed this feat by carving out an unusual space for herself within the feminized hierarchy of labor within the NGO. Cynthia’s financial practices—especially their gender dimensions—were both as disruptive and as innovative as Martín’s in his realm. Her colleagues often grumbled that she was too hard on her clients and that she was imperious and exacting in her interactions with borrowing groups. She was also the target of unceasing office gossip, since she would accept the offers of moto or car rides from male loan officers in order to expedite her field visits to clients rather than take the bus or ride with Lourdes, the only female loan officer, and keep her company during her daily excursions. In other words, Cynthia’s professional work sat uneasily with the appropriate femininity of credit counselors. Her success in the office—culminating in her promotion to loan officer only a year and a half after beginning work with the Fundación—reveals the glass ceiling for credit counselors marked by their labor on and through gendered sociality. Cynthia, like the green women, performed an entrepreneurial identity that was not overdetermined by gender or culture. She exemplified Martín’s positive deviants.

As entrepreneurship linked the project of microfinance from borrowers all the way up to CEOs, the managers were the central office team
that defined the mission of the Fundación—entrepreneurship—and then used it as a tool to manage people and things at all levels of the organizational hierarchy (credit counselors, credit, clients, social collateral). The work of managing their employees was to make them into managers as a social category through Cisco and other professional training, but since this too was organized around the concept of entrepreneurship, it threatened to collapse back into the general project and cross-cutting social ties of development, as it has been effectively entrepreneurialized. It is not incidental, I think, that the point of tension in this story is the Committee of Women Entrepreneurs within the development framework of the Fundación. Martín was never in danger of being mistaken as the object of development interventions. Rather, entrepreneurship had been stratified into management, on the one hand, and pink-collar financial services, on the other.

As a consequence of the crediting of gender in microfinance, the risks and rewards of entrepreneurship were asymmetrically distributed across the development framework of the Fundación. Further, crafting credit counselors as entrepreneurs through their labor conditions and through the vicarious management training of the Cisco WebEx modules enabled the NGO to reproduce itself as an institution with entrepreneurship as its central mission. The gendering of class—especially the feminization of capabilities and capacity building—was key to the Fundación’s vision of growth and innovation. Credit counselors and their clients in women’s committees were both thought to develop through capabilities training, while Martín’s entrepreneurialism was located outside of the development framework entirely. This should alert us to the fact that the forms of difference crystallized in the workplace proliferate a multiplicity of feminine subject positions. However, the overarching model of entrepreneurship collapsed those multiple feminine subject positions and reiterated the dominant framing of women’s choices and freedoms as the target for development. Upwardly mobile pink-collar professionals and microcredit borrowers came to resemble each other too closely, unless an entrepreneurial independence was drawn into relief by maintaining a line of sight on entrepreneurs as active agents. Put another way, the entrepreneurial spirit animating the NGO reproduced the gendered dimensions of class difference across microcredit as a regulatory field, from clients to staff to organization leadership to global development thinking.