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BARRIO EN RESISTENCIA

Anything sells in Mexico City's historic black market

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Motorcycles zip through a sea of stopped traffic. Pounding *cumbia* music, frying tacos, and the shouted pitches of vendors fight for space in the urban air. Yellow tarps shade endless rows of stalls flanking a crowded street. A young girl guides her hunched grandmother through shuffling columns of shoppers, pausing as two men in baggy jeans push past with overloaded hand trucks.

This is Tepito, and everything's for sale. Cheap clothes, housewares, tools, stereo systems—paid in cash, in full, up front. Shopping for a handgun? Hitman? Bag of coke? Exotic pet? The largest black market in the 22-million-person megalopolis of Mexico City, Tepito is said to have it all, provided you have the right connections. Within this 50-street maze, a tight-knit community of illicit trade, high crime, and full-throttle street commerce have evolved under the dull light of overhanging yellow tarps.

A History of Resistance

Tepito's tough reputation fuels local pride. *Tepiteños* relish the fact that few cops enter. Hawkers scoff at the notion of paying taxes. These streets

are a “*barrio en resistencia*”, defying the Mexican state that most neighborhood residents seem to regard as corrupt, inept, and unjust.

This attitude dates back to Tepito's inception. In Aztec times, it served as an after-hours market for goods that didn't sell during the day. Tepito also offered some less-than-legal goods for sale, like precious metals smuggled inside coconuts.

The neighborhood has earned its reputation for resistance throughout history. During Spanish conquistador Cortes's invasion in 1521, Aztec rebel Cuauhtemoc's last stand was a 93-day battle launched from Tepito. A plaque in the neighborhood bears his words to Cortes: “Take my life with your knife, for I cannot lose defending my kingdom.” In the mid-1800s, during the aftermath of the US-Mexican war, Tepito resisted the occupying American army so strongly that General Scott ordered his soldiers (unsuccessfully) to burn the neighborhood to the ground.

As Mexicans moved from rural to urban areas, fleeing civil war or seeking a better life, many settled in Tepito. By 1945, Tepito was considered to be one of the worst areas in Mexico, inhabited by the desperate and the impoverished.

But Tepito was never just another slum of Mexico City. Making do with what was available became a source of pride. Boxers and soccer players who rose from its rough streets to the national stage projected the neighborhood's scrappy image. Vendors, tradesmen, and smugglers who supplied the material needs of the city fed this pride back into their daily routines.

Like many places, Tepito's identity is reflected in its food. In stalls tucked amongst the warehouses and *pulquería* bars, vendors dish up bowls of *migas* from huge, steaming pots. This stew made from stale bread, old bones, and spices proves that a pot full of leftovers and castoffs can thrive.



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Informal Organization

Today, Tepito's informal governing system keeps the neighborhood running. Merchants have formed 62 associations, each with hundreds of vendors. Every association has a leader, responsible for negotiating territory, pricing products, and handling local politics. Vendors pay their leaders monthly fees—part rent-payments, part protection money.

Though it employs a majority of Tepito's residents, not everyone is involved in off-the-books street commerce. Some residents commute to Reforma or El Centro for office jobs or work in the sprawling suburbs. Others opt for the time-tested trade of emptying pockets, though strong neighborhood ties mean thieves must beware whom they accost.

After a Thursday evening church service, a few teenagers mugged Guadalupe Santa Cruz, an 80-year-old Tepiteño who started street selling as a kid during WWII. One of the robbers suddenly realized who he was—part of Tepito's "Old Guard". "They started saying, 'We're so sorry, Raton, we're so sorry,'" Guadalupe laughs (his nickname "Raton", or "Mouse", comes from the toy mice he makes and sells in Tepito). "And then they're practically begging me, 'We didn't recognize you in the dark, please don't tell our dads.'" He gives a subtle, grandfatherly wink through his aviator shades.

Guadalupe acknowledges that with almost no police or government presence, the dark, garbage-strewn, deserted streets of Tepito's nights are dangerous. The daytime security provided by the leaders and the informal pact between residents—albeit an imperfect solution—is a major factor preventing the neighborhood from descending into chaos. As Guadalupe experienced, Tepiteños tend to know and look out for each other—but anyone else walking through the neighborhood is fair game.

Still, despite the threat of crime, this is still a place where people work, live, and play. On Guadalupe's walk home, he passes a small square, lit from the yellowish light of a lone street lamp. A boombox siphons power from the same lamp to play salsa. A dozen or so couples dance with mesmerizing fluidity, their shadows long on the pavement. Guadalupe watches silently, his only tooth poking out through his smile.

A vendor's wares in Tepito's "used section" (1), a flex from a glue addict outside a recycling center (2), and a laugh from a "diablero" (3).

Life as a vendor

Lourdes, despite her easy smile and flowery green apron, is all business. During her decades of selling in the market, she has perfected her sales pitch and an arsenal of dirty jokes, and she shouts both into the constant stream of shoppers through a steady stream of Marlboro Reds. Her *puesto*, or market stall, is more sizeable than many—eight beat-up folding tables arranged in a ring at a high-pedestrian-traffic intersection. She barks and throws harsh but semi-loving gestures at younger family members, who scurry to retrieve clothes for customers or restock the piles of white, pink, blue, and green infant clothes.

Her family has been in the market for 50 years, and she has no plans to leave anytime soon. "I sell baby clothes because it's smart business. People are always getting pregnant."

Like many people employed in the Tepito economy, she does deceptively well. With no taxes and low expenses, her stall brings in enough money to send her children to private school, get healthcare at private clinics, and travel overseas. Even low-level employees, like the *diablos* who cart goods from warehouse storage to stalls in the market, make 150–200 pesos (USD 11–14) per day—three to four times the na-



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tional minimum and on par with police wages. In Mexico, revenues from street commerce often outstrip office, factory, or service sector salaries.

Compared to other markets, once they are “in”, Tepito’s merchants have an easier life. Turnover is low, and vendors watch out for each other. Leaders in Tepito are generally less predatory than elsewhere. And stall owners and their employees make good money, thanks in part to collusion and price-fixing between vendors selling similar products.

Getting into the market as a vendor, however, isn’t easy. There are no forms, application processes, or payment plans: life is driven by community connections. Most new vendors have to borrow from friends and family to rent their space and purchase their stock. Like all transactions in Tepito, startup costs are strictly cash—and no small business grants are available to open stalls for pirated CDs or counterfeit clothing.

Lourdes reigns over her clothing outpost (4), Guadalupe shows off pictures of his ex-wife, a Tepiteña boxer (5), and a resident watches over the afternoon (6).

Supply Chains and Marco Polos

Six main types of goods flow through Tepito: new, used, recycled, imported, pirated, and stolen—and many products check more than one of these boxes. Receipts, guarantees, and layaway plans are nonexistent. *Caveat emptor*.

Many shoppers come to purchase products for themselves or their families, but Tepito also acts as a supplier for informal retailers across Mexico City. Vendors selling clothing in other markets, *wagoneros* hawking pirated CDs on the subways, even white-collar workers selling counterfeit goods in their offices: they all source their supplies here.

Inventory used to be produced locally. Mexico once manufacture leather goods, clothing, televisions, and other high-value products. This came to a halt in 1985, when a massive earthquake devastated Mexican infrastructure and forced the shutdown of many of the factories. These closures, coupled with the rise of Asian manufacturing, moved production overseas.

Today, some estimate that 85 percent of the goods in Tepito come from China, which continues to undercut Mexico even after shipping costs. Lourdes is a holdout, sourcing her clothing from a network of local factories. The local products, she says, are of higher quality, and her customers seek them out for this reason. Her local contacts produce orders quickly enough to respond to changing consumer demand.

Most vendors, however, turn to someone like Hugo, a local merchant with a global perspec-



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tive. A powerful man with a shaved head and a firm handshake, he works as a *Marco Polo*, the affectionate term given to the cadre of Tepiteños who move goods from Chinese factories to Tepito puestos.

Marco Polos travel to China on tourist visas with wads of US cash to purchase goods, almost always counterfeit or knock-offs at low prices. They often work through intermediaries: Venezuelans who speak Chinese or Chinese nationals who have learned Spanish. The goods are shipped out of Guangzhou or Hong Kong in containers, sent to lightly-guarded Central American ports, and smuggled into Mexico via truck, bypassing heavily patrolled shipping ports like Acapulco. As for moving product by air? Hugo laughs, “A flight from China to Tepito? Someone would steal the planes.”

An Uncertain Future

Outside the neighborhood, Tepito’s cultural appeal continues to rise. Scholars like Alfonso Hernandez are working to highlight the best parts of the neighborhood and improve the *barrio bravo*’s image in popular opinion. He sees a complicated fight for the image of the neighborhood.

“Since forever ago, Tepito has generated polarities,” explains Hernandez. “One positive, in the sense of a charisma that surrounds the neighbourhood, and another one negative that gives the barrio its stigma of marginalized criminality. And every day, the charisma fights to win over the stigma, even though it never really achieves that.”

This battle, Hernandez says, is fought between the competing ideals governing the commerce, and thus the heart and soul of Tepito.

“What’s at play here in Tepito, is competency and respectability, quality, price, trustworthiness, innovation, and all this faces the modern image that privileges money, sex, and power.”

But for people like Lourdes, Hugo, and Guadalupe, who make their living in markets like Tepito, the future is uncertain. Globally, those who can afford it are leaving behind the chaotic, sometimes dangerous, cash-in-hand street markets and replacing them with air-conditioned malls and credit cards. And Mexico, keen to follow American consumer trends, is adopting this model rapidly.

Tepito’s system works well, for now. Goods are smuggled in, protection money is paid, and everybody profits. But as Mexico City’s rapidly growing middle class turns away from street commerce, the order is threatened—and people whose livelihoods depend on the market must adapt.

The Tepiteños of today survive and sometimes prosper because they profit supplying cheap goods people want. In a majority of cases, this means bringing cheap Asian produced goods to the consumers of Mexico. The vendors’ advantage lies in avoiding the taxes, tariffs, and other explicit and implicit costs of doing business formally in Mexico. Some educate their kids for a career outside the market, but many sellers plan to pass on the family puesto. Their children work unpacking boxes of pirated DVDs and folding stacks of knockoff clothing to help the family’s bills get paid.

For these kids the future is renting their own stalls, working to keep Tepito’s rebellious street commerce alive and defending a *barrio en resistencia* from an uncertain future. For many, this will involve devising a new way to work around whatever new rules and regulations present themselves, keeping street-level profits coming toward the next generation of Tepiteños. ●