

Labor and informal work in North-South relations

A study on Iberian countries and Latin-America

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Introduction

This text proposes an approach to informal work in the digital age, seeking to discuss the complexity of the phenomenon from an ongoing project (Latwork¹) involving the Iberian countries (Spain and Portugal) and three South American countries (Brazil, Argentina and Chile). It is precisely from the North/South dialogue, and in particular considering the historical relations between these European countries and Latin America, that it is important to analyze trends, contrasts and asymmetries at different scales of analysis. In the light of recent transformations in international capitalism, the goal is to address, on the one hand, the phenomenon of informality/labor precariousness and, on the other, resorting to a more prospective record, to diagnose some of the recent challenges of industry modernization based on technological-scientific

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1. Latwork – *Developing Research and Innovation Capacities in Higher Education Institutions in Latin-American Countries*. Latwork is an Erasmus+ /Key Action 2, Funding – European Commission. The project involves 12 universities, 3 of which are European (Univ. of Alicante, Univ. of Coimbra, Univ. of Aberdeen) and the other 9 are Latin-American (BRASIL: Unicamp – Campinas, Univ. F. Paraíba, Univ. F. Campina Grande; ARGENTINA: Univ. Buenos Aires, Univ. Nac. Rosário, Univ. N. del Litoral; CHILE: Univ. Viña d’El Mar, Univ. Magallanes, Univ. San Sebastian). The authors appreciate the agreement by the coordination of Latwork to use some of the empirical findings of the project for the purpose of this paper.

innovation. In this sense, we develop the hypothesis that a closer cooperation between university research centers and labor market agents (public institutions, firms, trade unions, etc.) may help to reduce informality and instill labor rights to the benefit of workers and social cohesion.

The transcontinental network developed in the scope of the aforementioned project takes advantage of the team's interdisciplinary nature, as well as of the richness and plurality of experiences incorporated by such a vast group of experts. This emerges as an interesting capital of knowledge to be valued by means of results dissemination and social sciences outputs within/for the academic community in those countries. Our analysis encompasses the sociological knowledge developed by the diverse research teams on the labor field, namely regarding informality and technological innovation. Moreover, the project seeks to combine its analytical dimension with one more focused on intervention and therefore pragmatic. The aim is to foster decent work, particularly in the Latin American countries under study, where, as known, the scourge of informality and vulnerability of the working classes is a structuring feature that remains from colonial heritage till the early peripheral industrialization. Thus, the spirit of our study lies in the effort to understand the changes taking place in the field of labor relations at a time when global capitalism is at a crossroads in the face of the brutal impacts of the Covid-19 pandemic.

Trends on the labor market in the global scale

As we know, work has always been a decisive activity for the evolution of human societies. With it, technical innovation, on the one hand, and social innovation, on the other, constitute two decisive and inseparable variables in the analysis of the historical process. By refusing technological “determinism” and its “neutrality”, sociology has always postulated that above technology – and even science – stands society, its powers and institutions. Thus, the “labor market” is the result of capitalist modernity, but work goes far beyond its economic and productive dimensions. Precariousness and informal work have grown all over the world. In Latin America this has been a structural problem associated to poverty and underdevelopment. In recent times precariousness and informality have expanded along with the growth of digitization and telework (in particular as a result of the impact of the Covid-19 pandemic). In view of the overwhelming impact of the pandemic on labor relations, the rhythm of the current changes in the world in recent decades is more likely to accelerate, that is, the trends of precariousness, segmentation and informal work that were already increasing since the beginning of the century are gaining a strong acceleration under the lockdown of our economies.

The overcoming of the barriers created by the peripheral condition from which the Portuguese economy has been suffering increased the asymmetries of the “variable geometry” in the European Union (EU) context. The prevalence of forceful global market “laws” in the neoliberal framework became the tool which determines interconnections and power relations both in the global and European scales. Since the financial crisis of ten years ago that is what we have seen regarding the powerful center (Germany, France, Northern Countries, etc.) and the fragile peripheral economies (the so called Pigs – Portugal, Ireland, Greece and Spain). Now that structural options in Europe are at stake, many alternatives will be discussed in the labor realm, especially considering the rapid extension of online work in pandemic context, as well as the new programs of economic recovery approved by the European Council. These trends justify the need to rethink the role of informal jobs, and its various forms and interconnections with migration processes and the strength or weakness of each national economy in particular.

Undoubtedly, these aspects need to be rethought in the light of current trends, given the brutal impact of the Covid-19 Pandemic. We know that the promise of the European social model has been restrained, for the past four decades, by the mercantilist hegemony of neoliberalism, which the EU has not been able to face, given its blatant inconsistency and internal contradictions. In addition to the evident diversity – cultural, historical, economic, social and even political –, the long process of building a federal model for Europe was compromised from the very beginning due to the close dependence it has maintained with the USA since the post-World War II period. The multiple perplexities that have crossed the European project since then, including the evident social divisions between North and South, the various economic crises and now the pandemic crisis that rocked the world, will have to be starting points to deepen our reflection and knowledge about the future challenges that we have to face. It should be recalled in this regard that the United Kingdom, which has just left the EU (Brexit), was the main inspirer, with Tony Blair, of the so-called “third way” that – with the help of Margaret Thatcher and Ronald Regan – paved the way for the hegemony of the neoliberal paradigm.

In order to advance our study, it is important to project the analysis on the more general structures of society underlying the modern capitalism’s consolidation process. For that, we need to consider the North / South relations. It is worth recalling, from the outset, the world-system theory inspired by Immanuel Wallerstein. According to him, the asymmetric powers between the center and peripheries and their interconnections should replace the old theory of economic development, abundantly criticized for the rigidity of its rationalist and rigid premises of economic language (Schumpeter, 1911). If, at the beginning of the 20th century, the

strength of Western capitalism assumed, without remorse, within the framework of a triumphant imperialism, indifferent to the wreckage of colonialism, Wallerstein's approach (1974, 1980), on the contrary, not only gave visibility to the multipolar complexity at the political level, but also highlighted the role of the economy and international division of labor as the main structural axes of the world-system.

We might assume that the history of Europe was made at the expense of empires and colonies where the colonial cores imposed their model of future on their colonies. But the North-South asymmetry is today, above all, a metaphor that aims to denounce post-colonialism and the hegemonies there rooted. A critical reading of this legacy, however, does not have to replace, in the 21st century, a "Europe teaching the world" by a "world teaching Europe". And if, even in the geographical Europe, only the peripheries of the North (Nordic countries, UK etc.) have approached the Center while those of the South (Portugal, Greece, etc.) remain remote, the important thing is that the current challenges do not require reversing the terms of the past. So, according to the most prominent theorist of post-colonialism's statement, "rather than inverting teaching, we need mutual learning" (Santos, 2018, 2020, 2021). Such processes have dragged along the history of "primitive accumulation" logic. As is known, on the world scale, capitalism has developed according to modes of domination and transfer of resources between the periphery and the core countries. Since K. Marx, the role of the "*Landnahme*" means the need for the expansion of capitalism through the incorporation of non-capitalist territories. In line with the Marxist thought, "the essential feature of this development was the strengthening of capitalist property and class relations, and so he views the expropriation of the rural population as a pivotal precondition for the emergence of a new type of producer: a wage laborer who is 'free in a double sense,' with no attachments to lands or guilds" (Dörre, 2015, p. 24). On the other hand, social movements from bellow can easily evolve from an anti-capitalist goal to other expressions of inorganic revolts: "Class struggles without class" have run side by side with radical struggles of the "new precariat" bringing new phenomena that defy social scientists to map the complexity of the labor world in the 21st century (Antunes, 2018; Braga, 2019; Dörre, 2019; Estanque, 2015; Estanque *et al.*, 2020; Huws *et al.*, 2019; Standing, 2011; Thompson, 1978).

Latin America: geographies of complexity

Any reflection on the Latin American labor market will have to begin by situating the historical process of those economies integration in the global capitalist economic system. If wage labor is essentially typical of industrial societies, it is necessary to

keep in mind all the asymmetries and anachronisms intertwined with capitalist expansion in the last three centuries in order to understand the complexities inherent to a continent like South America. As we know, the transition of pre-industrial societies to a capitalist economy entailed the shift of productive activities from the domestic sphere to the industrial space. This process went hand in hand with a progressive re-adaptation of task division that overlaps with combinations, blending and demarcations both outside and within the productive context itself. Along with this division between work and non-work (leisure and “free time”), it has given rise to areas and sectors characterized by informality, especially in poorer regions where populations struggle first and foremost to escape misery and deprivation. “Work in this case is not so much what gives meaning to life, more what makes life possible: a means of gleaning something, however slight, from a hostile environment. It has no beginning and no end. Working and eating and sleeping and childcare and everything else blend into one organic whole” (Stalker, 1986, p. 8).

Cepal and structural inequalities

It was in this sense that Economic Commission for Latin America and the Caribbean’s – “Cepal” (Eclac)² – economists conceived the development process of the South American economies as an extension of the central economies, what had as consequence condemning their peoples to misery due to the deterioration of the terms of trade. Maria da Conceição Tavares is a Portuguese economist who dedicated herself to the study of the problems of industrialization and development in Brazil and Latin America. She provides an interesting synthesis of the obstacles and projects of industrialization over more than one hundred years.

In general, the development of the export sector gave rise to a more or less intense urbanization process, during which the so-called domestic consumer goods industries, such as footwear, clothing, furniture, etc., were established. These, as we know, are traditional industries, with low levels of productivity, present in almost all Latin America, which emerged in the midst of the export model itself (Tavares, 2019, p. 62).

2. Eclac (Cepal), created in 1948, is one of the five regional commissions of the UN, whose mandate is the study and promotion of policies for the development of regions, functioning as a center of excellence for high studies that contributes to the debate on the economy and Latin American and Caribbean societies, presenting warnings, ideas and proposals for public policies. *NB*: We use here the Latin acronym “Cepal”, since it is the well-known name that projected this current of economics’ theorists world-wide.

As one can easily foresee, such a social reality expressed the condition of subordination and vulnerability, especially in the case of workers and families still linked to the rural world. The strong flows of internal (and external) migrations helped to transpose this logic to the peripheries of the main metropolitan cities, where primary sociability takes place in conditions of misery and uprooting, conducive to the multiplication of informality and poverty. The huge migratory flows from Europe at the turn of the century (19-20th) contributed decisively to instill dynamism into the capitalist market and emerging industrial workforce (especially in the Brazil's case, in Rio de Janeiro and São Paulo). Not only in that period but also in the post-World War II exports and intern market industry would become to reach a new vigor. It is in this sense that some authors consider that the two world wars contributed to the Brazilian industrialization (Cardoso, 1960).

In line with Cepal guidelines, it is important to highlight the role of the State. It is clear that in this context the State still contains the historical legacy of colonialism in which, both in the colonial period and after, the presence of slave labor and the plundering of natural resources is still evident. These traits were the corollary of structuring elites linked to the hegemonic powers and with little (or null) patriotic capacity regarding industrial modernization. In other words, the systemic power of international capitalism, even after the (official) end of colonialism, continued to impose its rule. At the same time, political-military coercion remained attentive, and ready to act, whenever national interests seemed to oppose the interests of the dominant economies. Moreover, Brazil, Argentina and Chile are good examples of a historical legacy that has illustrated, at different times, how imperialism operates to promote military coups whenever democratic freedoms and popular forces show capacity to resist to corrupted elites. We explore here Brazilian case in particular. In this country, the industrial growth began in the 1930s, in a historic moment when State intervention broke with the previous model and sought to impose new rules, establish exchange policies, defend coffee production, stimulate the domestic market, etc. According to Cepal economists, it was then that prospects for success in industrialization opened up, and proved that the success of industrial development should be achieved in opposition to the two core pillars of economic theory: the theory of comparative advantages and economic liberalism (Furtado, 1968; Rodrigues, 1977; Cepal, 2010).

Informal jobs in the digital era in Latin America

In Brazil, the laws regulating the labor market (some approved in 1943, such as the CLT), and regarding the degree of State intervention in the economy, became a

controversial subject in the academic debate. For some Brazilian specialists, labor legislation should have been changed in the nineties, as it was necessary to “redefine the rules and norms that govern the employment relationship in order to give companies freedom of action”. Other authors were openly against “public interference to improve the performance of the economy and the promotion of jobs and income”, highlighting above all the “problems of adaptation of the companies to the intensification of international competition” since those laws did not assure their capacity of action. Changes in the organization of production, in a period of weak economic growth, increased unemployment, illegal employment contracts, and the occasional changes in the institutional framework only worsened labor precariousness (Krein *et al.*, 2011). It can be said that the Brazilian social structure was renewed in this period, but that renewal, has, in essence, preserved labor market flexibility and worker’s vulnerability. In the 2000s, the expansion of wage labor with a formal contract was expressive; for every ten open jobs for low-wage workers, seven were formal jobs, and for every open job in the informal labor market, three other formal ones were created. In addition, the turnover rate (at around 37% of formal employment in 2009) has increased expressively, especially for the lowest-paid jobs (85.3% for the category earning up to 2.5 minimum wages), being higher for the younger strata, less educated, beyond the vast contingent of domestic workers, regarding which Brazil occupies the first place in the world (ILO, 2013)³.

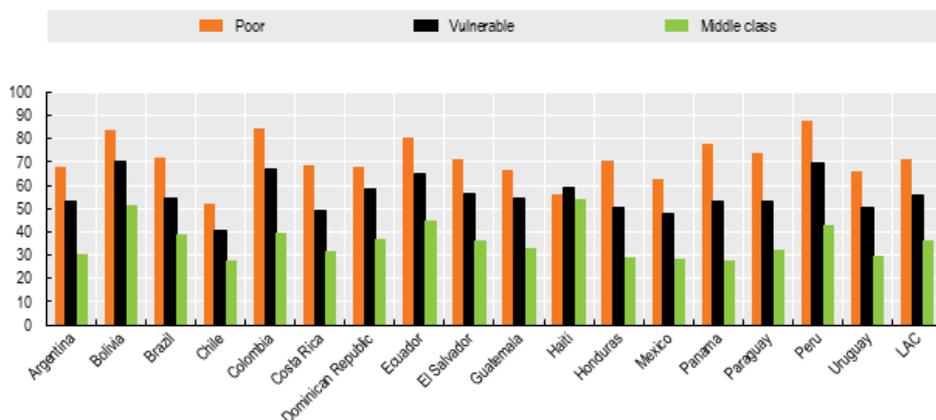
Indeed, the re-composition of the stratification pyramid did not change the unstable, flexible and precarious nature of wage labor in Brazil. The country underwent a profound productive and social conversion, in search of a developmental project that is still surrounded by uncertainty. For this reason, the outcome of this trend is doubtful. As it was confirmed after the fall of Dilma Rousseff and the arrival of Jair Bolsonaro to presidency, neoliberalism has been strengthened (and democracy weakened). Despite the increase and undeniable progress in (formal) employment creation, as mentioned above, the structural characteristics of the Brazilian working class add to current notions – that in Europe were considered outdated and anachronistic until a few years ago – such as the new proletariat, under-proletariat or subordinate proletariat. Despite the discrepancy between “*The name and the thing*”⁴ with regard to the notion of “proletariat”, according to André Singer (2009),

3. Data from ILO (2013). It is important to remember that the minimum wage increased from 41.00 USD in 1970 (equivalent), 113.00 USD in 1990 and 242.00 USD in 2009. In 2013, it was 678.00 R\$, although there are variations between the different states (for example, at that time in São Paulo it was around 725.00 R\$).

4. To remind a well-known title by Manuel Villaverde Cabral, *Proletariado: o nome e a coisa*. Lisboa, A Regra do Jogo, 1983.

GRAPHIC 1

Labor informality by socio-economic group in selected Latin American countries (2014 or latest year available)



Source: Calculations by OECD, 2019, based on World Bank tabulations of Sedlac (Cedlas and the World Bank, 2018).
 Notes: Legal definition of informality: informality is defined as workers without the right to a pension, health insurance social protection, work contracts and the general entitlements of the formal sectors.

the under-proletariat corresponds to a social layer that is still located on the margins of the capitalist production system and, therefore, is placed “below” the formal working class.

Some recent international reports tried to point out trends for the coming decades regarding the future of work and the impacts of technological innovation in Latin-American countries. One of those studies (*World Economic Forum, 2019*) points out some of the main “drivers of change”: the emerging middle class segments, change in the nature of work, big data processing, management policies in understanding disruptive changes, alignment with innovation, etc. As “recommended strategies” the report suggests: investment in the retraining of workers (59% impact), support for mobility and employee turnover (52%), focus on female talents (28%), collaboration of educational institutions (28%) and attraction of foreign talent (28%) (OCDE, 2019).

Other studies (Accenture, 2018) present interesting prospects for Latin-American countries and stress the growing use of Big Data Analytics by many companies looking to follow the international trend of substituting routine tasks. Those are the expectations to ensure average substantial growth by the year 2035, which will accelerate productivity gains and bring prosperity throughout the region, based on digital technologies. High rates of informal employment in LA are well known. According to the ILO reports, in the whole of Latin America, in 2010 the volume of

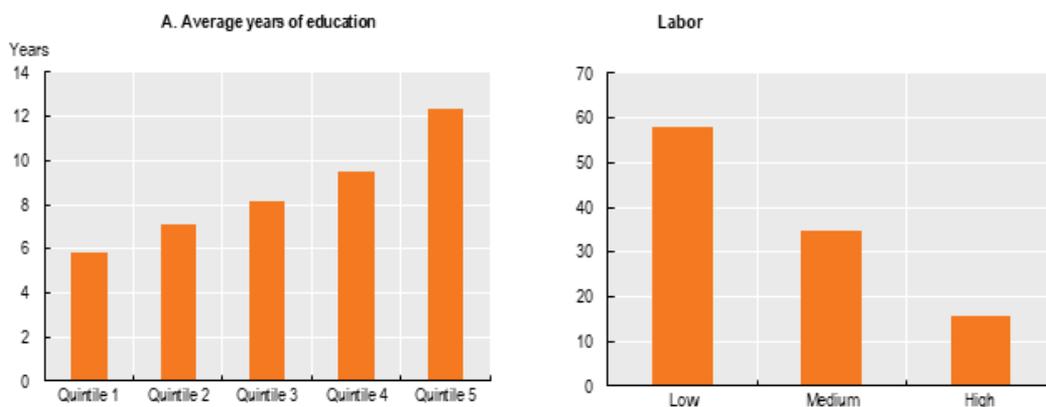
non-rural workers in informal occupations stood at 48% and was slightly reduced to 46.8% by 2015. At this point, it is important to remember the period 2003-2015 (of the PT governments in Brazil), during which all social indicators were improved. However, the old problem of the vicious circle between poverty, informality, low skills and low productivity persists, and that means, once again, the need for a strong investment in the retraining of workers. Several data-basis (OECD, ILO etc.) suggest that for each new formal job, three are at risk of being suppressed by digitalization / automation in the next ten years. In this regard, the enormous presence of informal occupations is of course a reflection of poverty levels, very low wages and lack of social protection. The match between workers' skill levels and the complex tasks and knowledge of the work of the future will be decisive. It is expected that the highly skilled occupations will expand mainly in the formal employment sector, but the same report assumes the direct relationship between routine tasks suppression and the likelihood that they will be replaced by automatic equipment. The method used made it possible to segment the amount of work time devoted to routine tasks, concluding that in LA as a whole around 43% of workers spend an average level of time in tasks of this nature (between 25 and 75 per cent) and close to 25% of workers engage in activities with 75% or more of routine tasks. At the same time, as noted above, the greater the impact of automation on the destruction of traditional jobs, the more informality in employment tends to grow. Another more recent report (OECD *et al.*, 2019) points in a similar direction. The phenomenon of informality is usually associated with vulnerability and precariousness, but the preceding social inequalities and asymmetries tend to stimulate their own reproduction in other parameters that reproduce them in time and space (Antunes, 2018).

This is so in the generational reproduction of poverty and exclusion, and in informal and precarious jobs. As shown in the graph above, higher poverty means higher rates of informality, which occur in the Latin American countries under analysis. In this criterion, the differences between the Latwork countries are slight, but there is a less pronounced situation in the case of Chile compared to Brazil and Argentina. The most suggestive scenario in this regard is depicted in the chart below, where the correlation between informality, income and education levels could not be more striking.

The phenomenon of informality is undoubtedly associated with vulnerability and precariousness. Structural social inequalities and asymmetries encourage their recurrence in various parameters through time and space. This is so in the generational reproduction of poverty and exclusion, as well as regarding informality. On the other hand, these data also show how the level of education attained interferes directly with both income and informal / formal employment. This means that increasing

GRAPHIC 2

Labor informality and education



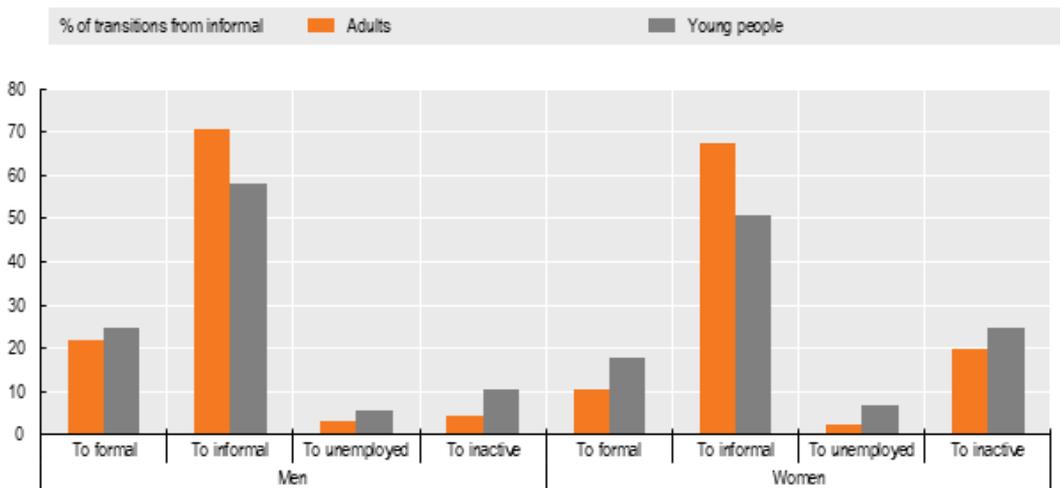
Source: Calculations by OECD, 2019, based on Cedlas and the World Bank, 2018.

educational success rates and the progression of the younger strata to higher education levels is an important mechanism to fight informality and precarious employment. Finally, the graph below concerning informality outflows represents the flows of workers through informal jobs in four Latin American countries: Brazil, Chile, Argentina and Mexico. From it we can attest the reproductive force of informality in these four countries. However, in spite of that, this holds a slight sign of hope. On the one hand, young people are slightly less in volume than the older strata leaving informality return to a new informal occupation (compared to adults); and, on the other hand, there is a slightly higher entry into the formal sector, which is even more visible among women, a segment which, as we know, is generally hardest hit by informality and precariousness.

The mobilization of companies, institutions and trade unions in each region to help workers develop new skills seems to be a priority. Making these segments of the work force able to take on reconfigured jobs, or even migrate to new jobs in the formal economy, emerges as a prime need to prevent more disastrous effects on unskilled workers. Other projects focusing on youth and the transitions from the education system to the labor market also show how (notably in countries such as Brazil) different variables must be considered regarding the trajectories of youths hit by the scourge of informality (see Report sponsored by the ILO and conducted by a team coordinated by Nadya Guimarães, (cf. OIT, 2019).

Different age groups but also differences between higher and lower education levels are important variables. The fine-tuning of future studies calls for a combina-

GRAPHIC 3

Yearly labor market transitions out of informality in Latin America

Note: Results show the average for Argentina, Brazil, Chile and Mexico. These are yearly transition rates out of informal jobs for the pooled period 2005-15. Transitions rates are calculated as the ratio between flow of people moving that transitioned from Condition 1 to Condition 2 between time 0 and time 1, over the total stock of people in the population in Condition 1 in time 0 (i.e. informal employment to formal employment). The transitions are year to year (from year t to year $t+1$). This analysis is limited to urban populations due to data availability limitations. Data for Argentina are representative of urban centres of more than 100.000 inhabitants. Source: Calculations by OECD, 2019, based on World Bank tabulations of Lablac (CEDLAS and the World Bank, 2018).

tion of the concept of “informal work” with factors such as gender, social background, race and region of origin. There are no linear trajectories in which higher education has been completed before entering the labor market, especially in lower middle-class or working class youth. There are very distinct forces that interfere with the fate of millions of these young people in search of a decent work perspective. This is the example of young adults, who show greater ability to compete for better positions in the labor market, especially when formal job opportunities expand rapidly, as occurred in the period of the referred study (2000 to 2013).

However, formal employment contracts are much more frequent among those with higher incomes than among those with lower incomes, pointing to the diversity in what concerns the quality of occupation to which one accedes. In the transition to higher education, class inequality is crucial. Among young people with lower socioeconomic status, the need to combine work and study as a strategy to ensure educational progression becomes imperative (Brito, 2014). The way in which the transition between school and the world of work operates is part of life cycles and trajectories – personal and class trajectories – which mirror lines of segmentation and class divisions and can be traced back to family origins.

Operationalizing the geographical complexity of informality through a cross-national study

The effort to provide an information system on the informal economic sector and on informal work arises from the need to address the discussion and debate on informality as a problem closely articulated with the process of globalization and expansion of digital capitalism that is transforming the deep structures of the social system and the international division of labour. Therefore, the need for a greater abundance of theoretical elements and data sources that contributes to consolidating a holistic view of this phenomenon increases progressively, guaranteeing its better and greater visibility.

The Latwork project⁵ addresses two fundamental focuses of interest. On the one hand, an integration of theoretical approaches that contributes to consolidating and coordinating the different views on the singularities of informality in Latin America. And, on the other, the need to identify, define and develop methodological strategies and data and information availability that make it possible to establish the nexus of theoretical models with the empirical dimension. That is the reason why this approach includes the articulation between scientific studies on the labour relations – linked to several Higher Education Institutions (HEIs) of each country – and the job market of those regions.

In the first phase of the project, the question was raised as to how the main research actors interpret and define informality as an object of knowledge and how it should be located in the general scheme of research in the university environment. For this, it was considered essential to identify the degree or level of consensus around these issues, given that, as we have already pointed out, one of the main difficulties is derived from the unique characteristics of informality in each country-context. In the following section we confine ourselves exclusively to determining the research problem of the level of heterogeneity that can be observed between the three Latin American countries that are part of the project consortium.

Comparative analysis: Brazil, Argentina and Chile

Analysis approach

The measurements carried out by international operators in relation to informality show significant differences. However, we find that differences are strongly

5. As mentioned earlier, the project was funded by Erasmus+ / European Commission. See: https://ec.europa.eu/programmes/erasmus-plus/opportunities/organisations/innovation-good-practices/capacity-building-higher-education_en.

determined by the use of heterogeneous measurement methods on heterogeneous realities. For instance, in the case of Chile, if we consult the data provided by ILO⁶ based on the Labour Force survey carried out by the INE, we find that for the year 2017 the informality ratio stands at 64.7%, experiencing a drastic fall to 29.2% in 2018 (a figure that remains approximately the same in 2019) situation that is likely more related to statistic criteria than to an effective reduction of informal jobs. On the other hand, the data offered for Argentina is constant according to the ILO, and based on the data of the EPH (Permanent Household Survey) of the Indec, in a stable range within the extremes of 46.8% and 49.4% between the years 2010 and 2019. The case of Brazil is similar, with figures reported by the ILO and according to the IBGE (Instituto Brasileiro de Geografia e Estatística), which are between 44.1% and 49.7% between the years 2011 and 2019.

An important source of variation in informal work rates may be due to methodological changes in the procedure for statistical registers and the definition of parameters. This fact can be technically controlled since statistical operators usually justify and publish the definitions and the design, versions and adaptations of their methodologies. However, a problem that entails greater difficulty is derived from the conceptualisation of informality itself and from other types of definitions of productive activity that go beyond the definition of the statistical parameter for its measurement. Such is the case of the variation in the criteria in the registration of companies that is followed according to the countries, in such a way that a company registered in the formal sector in one country may not meet the requirements in another. Thus, the data and estimates of workers in the formal and informal sectors turn out to be inadequate evidence to carry out a comparative analysis or even a calculation of the total of a region. In any case, these are methodological and operational variations which are usually described in the research results, and the nature of the heterogeneity of the results can be determined so that it is taken into account in the interpretive process.

On the basis of these differences, we carried out a discriminant analysis to check if the beneficiary's countries in the project occupy different spaces, where researchers are supposed to take a stand in their studies by focusing on the specify conceptual nuances of the meaning of informal job that better match to selective informal labour market situations.

6. <https://ilostat.ilo.org/es/topics/informality/>.

Methodology

Draw from a methodological triangulation that combined a qualitative-quantitative sequence in the same study, a measurement instrument was defined using a Likert scale to capture the most important dimensions of the problems and gaps that the Latin American consider necessary to address in order to develop the study on informal work in the University.

First, two focus groups with Latin American researchers linked to the project were carried out at the Universities of Coimbra (CES – Centro de Estudos Sociais), and The University of Aberdeen (CELMR – The Centre for European Labour Market Research), in order to determine the dimensions to be measured. Once determined, these were distributed among Latin American universities, where the focus groups were reproduced to define the indicators for each of the dimensions.

Subsequently, an online questionnaire was developed that collected the indicators. This questionnaire was distributed among researchers in Latin America belonging to research institutions and universities. A total of 312 questionnaires were completed, allowing the measurement of dimensions and operationalised indicators to be established. In this section we present a comparative study that reflects the different realities around informality and the heterogeneity of needs related to the regional research process that arise in each country. We consider that the diagnosis of this heterogeneity is one of the challenges that the project faces when establishing methodologies that include holistic frameworks, so the results obtained in this first study deserve the main attention that must be transferred both internally and externally to the project.

Challenging the operationalization

The analysis of the qualitative and quantitative data has shown that a wide range of nuances are in the research *praxis* applicable to the meaning of informality, opening scope of the study to different disciplines and theoretical inspirations. However, there is a significant correlation of these nuances to the geographical context, the historical development of the economy and the role that the country plays in the international division of labour.

For instance, in the case of Argentina, researchers highlight the fact that the consolidation of the informality in the labour market has a starting line consensually established in the 80s, becoming a structural phenomenon that has been deepening in periods of crisis, as it works as a “shelter” for unemployment. Nonetheless, the self-employment as well as other type of work arrangements in Argentina have been

studied and known not necessarily as a knee-jerk reaction or as a labour stoically reality accepted by workers as a result of the economic slumps, but sometimes as an opportunity to take a turn to a desired situation, (Busso, 2010, pp. 130-133). On the other side, Brazilian researchers focus their interest in analysing the role of unions in the organization of the informal and precarious workers, paying particular attention to, at least, two critical issues. On the one hand, the backgrounds of the social organization of labour which historically demonstrated a poor structural development resulting from the systematic failure in the implementation of the Welfare State. And, on the other hand, the challenge of facing the globalising dynamics of the international division of labour that pushes the peripheral and semi-peripheral economies to spread the logic of informality, particularly worrying when it takes place in labour context of workers scarcely organized, as the case of Brazil (Véras de Oliveira, 2019). Finally, in the case of Chile, researchers are orientated to the study of informality as a meaning for precariousness itself. Banco and Julián (2019) distinguish nine typologies of precariousness in Chile, many of them scrupulously analysed in terms of informality and its multidimensional features that are identified as a target to move forward formalization.

The analysis carried out within the Latwork project has been successful in determining how the specific approaches that we can find in the literature review systematically correlate to the perspective of researchers according to their country. The interpretation of this correlation is produced not only at statistical level though. Each of the one hundred items that has been identified as the most important scientific challenge to reinforce the research activity in the field of informal work are aligned selectively and logically tied to the schema of interest identified in the literature review. For instance, the academic community in Brazil is more willing to accord the importance of social actors as unions, local and regional agents, as they are considering the key institutions in the target of organizing workers and, of course, mitigate the impacts of extreme neoliberalist praxis of Bolsonaro. In the case of Argentinian researchers, we found a diversion towards the institutional level nationwide. And finally, in the case of Chile, the emphasis is focused on the research institutions themselves.

Conclusions

Globalisation and neoliberalism have brought new ways for the weaker economies occupying a peripheral or semi-peripheral position in the world-system. The outcome has been, on the one end, the limitation of the ability to retain added value in the production chain and, on the other, the exponential increase of inequalities

resulting from the growing exploitation of low labor costs, even when it is assumed that the lower strata of peripheral societies have seen their position being improved as hunger and misery are reduced.

On the other hand, as has been argued throughout this contribution, North / South relations can take on a variety of shapes, depending on the different historical and socio-cultural characteristics of each region or country. The relations of the two Iberian countries with former colonies also involve their own specificities, just as specific were the decolonization processes themselves, even when referring to the case of the former South American colonies. Including when it comes to the world-system in the context of long historical cycles, the semi-peripheral condition has changed over the centuries, both for Portugal and for Spain. Always evolving according to a logic of dynamic asymmetries on different geographical scales, the positioning of Iberian countries in Europe and, on the other hand, the positioning of Europe (including through them) on the international chessboard obeys this same logic of variable geometry.

In this approach, we proceed to a reflexive and critical glance centred on the power asymmetries and, at the same time, on the cooperation forms between the peripheries and the centre, or between the South and the North, being one and the other – as emphasized by Boaventura S. Santos (2021) – beyond geographic latitudes, since it is, above all, a matter of imbalances and interdependencies of economic and political power. It was in this light that we have questioned recent trends of change and segmentation in the labor realm, trying to establish a parallelism between their peripheral condition as Southern Europe countries and their role as privileged vehicles for a possible bilateral (or multilateral) cooperation with the South American countries, their former colonies. Precisely because we believe that in the interstices of the system there is room to reverse – or at least mitigate – the harmful consequences of both colonialism and neoliberalism, the Latwork project reveals potentialities as a tool framed by this objective. The knowledge and experiences of academic and scientific cooperation with Latin American institutions, accumulated over decades by the research centres that integrate this consortium (involving 12 HEIS⁷ on both sides of the Atlantic), constitutes an important capital capable of favouring the development of diagnoses, analyses and intervention projects endowed with critical sense and practical scope.

The challenges faced by labor research change at the dizzying pace imposed by the technological transformations sustaining the expansion of the digital and globalised economy. New concepts of work emerge as the division of labor is trans-

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formed. The loss of capacity to generate regulated and “decent work” (according to ILO definition) as the welfare state’s main source of development is the central limitation. However, beyond the generation of structures fundamentally in the field of statistics and data production, other transnational movements are both organised and structured enough to guarantee the break with the localisms that tend to reinterpret the globalised problem of informal work as a fundamentally internal issue.

One of the most relevant sociological objectives therefore consists not only in explaining the nature of this process, but also in redefining it so as to it to be identified as one of the main sources of sustainability and reproduction of the expansionist neoliberalism and especially of the international inequalities that have a direct effect on the local dimension. In the field of sociology, reflexive currents tend to demonstrate that, regarding local realities – in our case those characterized by the prevalence of informal work and economy – explanations emerge from the interaction with culture, from which is possible to derive interpretative frameworks that enable to break with the globalization process as a cause of informality and precariousness. Uncertainty and risk cannot be controlled on the basis of processes or dynamics that are beyond direct reach, such as technological development. Hence, sociology has been interested in questioning how actors end up stoically assuming informality as a consequence of the nature of immediate environment and primary needs.

The current trends of technological innovation and rapid digitization, whose devastating impact on job destruction has been signalled, may, however, offer new means geared towards a reconversion of working conditions in the Latin American countries. The fight against informal work follows the lines of the fight against vulnerabilities, poverty and exclusion. But for such endeavor to have results, it is important to question, inquire, and reinforce the role and dialogue between the State and public institutions – especially HEIs – and economic agents (the entrepreneurial framework of each region) so that the struggle for decent work and rights is also a struggle for development and social justice in the countries of the South. The Latwork project does not offer solutions, but, at the crossroads at which Europe and Latin America are today, open possibilities that can become assets at disposal of the actors of future socio-economic changes.

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Abstract

Labor and informal work in North-South relations: A study on Iberian countries and Latin-America

Departing from the North/South dialogue, and considering the historical relations between the Iberian countries and Latin America (LA), the aim is to analyze trends, contrasts and asymmetries in different scales. Asymmetric powers and dynamic tensions and negotiations are discussed both in the world-system scale and in the European Union context. In the light of recent transformations in international capitalism, our paper addresses, on the one hand, the phenomenon of informality / labor precariousness and, on the other, resorting to a more prospective record, diagnoses some of the recent challenges of technological innovation and digitalization. Considering an ongoing project related to these issues (Latwork), our analysis encompasses the sociological knowledge developed by diverse research teams on the labor field, namely regarding informality and technological innovation. For this purpose, we also gather quantitative data on research teams from the universities of LA countries (Brazil, Argentine and Chile) using factorial analysis. The aim is to foster decent work, particularly in the Latin American countries under study, where, as we know, the scourge of informality and vulnerability of the working classes is a structural feature that remains from colonial heritage till the early peripheral industrialization. Thus, the spirit of our study lies in the effort to understand the changes taking place in the field of labor relations at a time when global capitalism is at a crossroads in the face of the brutal impacts of the Covid-19 pandemic.

Keywords: Informal work; Precariousness; Decent work; Digitalization; North-South relations.

Resumo

Trabalho e informalidade nas relações Norte-Sul: um estudo sobre os países ibéricos e a América Latina

Partindo das relações Norte/Sul, e considerando a ligação histórica entre os países ibéricos e a América Latina (AL), pretende-se analisar tendências, contrastes e assimetrias em diferentes escalas. Poderes assimétricos, tensões e negociações dinâmicas são discutidos tanto na escala do sistema mundial quanto no contexto da União Europeia. À luz das recentes transformações do capitalismo internacional, nosso trabalho aborda, por um lado, o fenômeno da informalidade/ precariedade do trabalho e, por outro, recorrendo a um histórico mais prospetivo, diagnostica alguns dos desafios recentes da inovação tecnológica e da digitalização. Com base num projeto em curso relacionado com essas questões (Latwork), nossa análise baseia-se no conhecimento sociológico desenvolvido por diversas equipes de investigação na área do trabalho, nomeadamente no que diz respeito à informalidade e à inovação tecnológica. Nesse sentido, referem-se alguns dados quantitativos concernentes a esses países da AL (Brasil, Argentina e Chile) para ilustrar a presença do trabalho informal e a necessidade de promover o emprego decente. Como sabemos, o flagelo da informalidade e da vulnerabilidade das classes trabalhadoras é uma característica estrutural que permanece nesse continente desde a herança colonial e durante o processo de

industrialização periférica. Assim, o espírito do nosso estudo reside no esforço de compreender as mudanças que estão ocorrendo no campo das relações de trabalho em um momento em que o capitalismo global se encontra em uma encruzilhada diante dos impactos brutais da pandemia Covid-19.

Palavras-chave: Informalidade; Precariedade; Trabalho decente; Digitalização; Relações Norte-Sul.

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