Informality: from sector to economy

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Informality: a dynamic definition

The ILO-Hart-IDS original contribution: working poor

Globalization and disguised wage labor

Inadequate government intervention and regulations

The ILO-WIEGO 2002 contribution: informal economy

The World Bank 2007: exit and exclusion

Challenges about informality

The informality trap in developing economies: labor surplus and insufficient good jobs creation Formalizing requires good jobs and micro-enterprises that can enforce labor standards. Formalize the informal workers in formal firms requires to operate in accordance with labor standards A unique package of regulations for all or can be adapted to their compliance capacity?

Decentralization of production and labor processes increase competitiveness at the cost of lowering labor standards. Informality increase.

Can formality expand without affecting comparative advantages?

Should all firms in the production chain assume a joint responsibility for compliance of labor obligations?

Consistency between flexibility and security can contribute to increase the capacity to compete without affecting job security and social protection.

Which type of flexicurity arrangement can ensure that flexibility is accompanied by protection? What strategies respond better to the needs of developing countries?