



IRLE WORKING PAPER
#107-11
May 2011

Latin America's New World of Work: Changing Traits of Work and Problem Solving

Ruth Berins Collier and Brian Palmer-Rubin

Cite as: Ruth Berins Collier and Brian Palmer-Rubin. (2011). "Latin America's New World of Work: Changing Traits of Work and Problem Solving." IRLE Working Paper No. 107-11. <http://irle.berkeley.edu/workingpapers/107-11.pdf>



 **Peer Reviewed**

Title:

Latin America's New World of Work: Changing Traits of Work and Problem Solving

Author:

[Collier, Ruth Berins](#), University of California, Berkeley
[Palmer-Rubin, Brian](#), University of California, Berkeley

Publication Date:

05-09-2011

Series:

[Working Paper Series](#)

Publication Info:

Working Paper Series, Institute for Research on Labor and Employment, UC Berkeley

Permalink:

<http://escholarship.org/uc/item/5dq7p600>



Latin America's New World of Work: Changing Traits of Work and Problem Solving

**Ruth Berins Collier
Brian Palmer-Rubin**

I. Introduction

Transitions to market models have had an important impact on the structure of the labor market and on structures of interest representation of the working classes in Latin America. Most notably they have caused pressures for a more flexibilized labor market and a shift within the working classes from the formal sector toward the informal sector. These changes have been accompanied by a severe challenge to the importance of labor unions as the privileged organizations through which the working classes have traditionally acted to defend their interests. As imperfect and problematic as Latin America's "state corporatist" unions were as structures of representation, they nevertheless addressed, at the work place and more broadly in the political arena, productionist interests, such as wages, employment levels, and work conditions. The large informal sector that has come to comprise about half of the Latin American labor market works under conditions that are very different from the classical proletarian workforce that gave rise to unions. Under the new economic models widely adopted throughout Latin America, productionist issues have remained very important, or perhaps even increased in salience. Yet, the capacity of workers to address these issues has declined. These are the issues we explore in this study.

Much attention has been paid to the growth of "informality" or "informal employment," and it has been suggested that informality affects the capacity of workers to promote their interests. We move beyond the concept of informality and its multiple definitions and operationalizations to specify what precisely it is about informality that may have an effect on interest representation or participation in collective activities. We refer to these factors as the "operative traits" of the world of work, and we include variables that reflect various conceptualizations of formality and informality: work-based resources for problem solving (size of work-based network, access to unions, union experience), the precariousness of employment (income volatility, job instability), and the regulation of employment (contract status, social security status).

In this study, we explore the way these conditions of work and workplace organization may have a fundamental effect on interest representation both at work and in the political arena. How, do these conditions affect the capacity of workers to address materialist problems historically addressed by unions? Specifically, what aspects of the world of work influence the ability of the working classes to engage in a range of what we will call "problem-solving activities?" Further, to what extent do these aspects of the world of work affect the capacity to act around productionist (e.g. wages, working conditions), consumptionist (e.g. neighborhood improvement

and service delivery), and political problems (e.g. corruption, crime), particularly given the high salience of the first of these?

We examine how traits of the world of work influence a variety of modes of participation or problem-solving activities. We distinguish between two sites: the work arena and what may be called “the interest arena.” In terms of problem solving at work, we address the extent to which persons gather with acquaintances from work to solve work-related problems. With regard to the interest arena, participation includes both “state-targeted” activities, such as contacting a state agency, and “society-targeted” activities, such as collective self-provisioning, although for present purposes we place greater emphasis on the former. We address a number of dimensions of problem-solving activities in the interest arena, specifically strategies, types of issues, and co-participants.

At the same time, we can shed some light on two hypotheses that point in opposite directions: the impact of grievances and resources. The grievance hypothesis predicts that the hardships associated with informal work will increase the rates of problem solving as people seek to improve their working conditions. The resource hypothesis predicts that conditions associated with informal work inhibit problem solving at work and in the interest arena by placing resource constraints on workers. The grievances relevant to the first hypothesis are low wages, unstable work and income, and a lack of state protections in such areas as working conditions, social security, and social benefits. The resource limitations alluded to by the second hypothesis are an unclear target of grievance (e.g., common employer), small networks for collective action, and minimal or uncertain flows of time and money available to devote to problem solving.

The data we use to approach these relationships were generated by the CIRELA¹ survey of individuals conducted between 2002 and 2003 in four Latin American metropolitan areas: Buenos Aires, Argentina; Caracas, Venezuela; Lima, Peru, and Santiago, Chile (Collier and Handlin 2009). Since our concern is with the effects of work traits on participation, we use a subsample of those respondents who worked at the time of the survey.² It should be emphasized that the present concern is with patterns of “normal politics,” that is, patterns of what may be considered routinized problem-solving activities. Thus, we exclude those contentious activities that were related to unusual crises taking place in Argentina and Venezuela around the time of the survey. With those exceptions, contentious activities were included; indeed, a finding in Collier and Handlin (2009) was that contention has generally become a quite a routine form of claim making.

This paper first presents evidence of the growth of informality and the continued salience of materialist concerns among Latin Americans. We then explore the diverse approaches to conceptualizing and measuring informality and lay out a set of “operative traits” or work traits, which, though commonly associated with informal work, are not unique to informality. We then explore bivariate relationships between these work traits and participation in problem-solving activities at work and in the interest arena. Finally, we present multivariate logistic regressions to

¹ Comparative Infrastructure of Representation in Latin America

² The sample consists of those who had some gainful employment, defined as those who normally work for remuneration for at least five hours per week. It should be noted that this is a different population from that analyzed in Collier and Handlin (2009), which includes both working and non-working respondents.

address the relative influence of these work traits when controlling for other factors, such as class, age, and country.

Our findings suggest that work-based resources, and particularly union experience and union access, strongly influence the ability of the Latin American working classes to engage in problem-solving activities, both at work and in the interest arena. Unions are important resources, and their decline has had both a direct and indirect effect. Not only do unions themselves advance workers' interests, but so does past union experience, apparently by bestowing forms of human capital on members. This indirect effect of unionization will continue to be felt long into the future. Large work networks, a trait rarely found among work generally considered informal, also facilitate participation. At the same time, income volatility and job instability, grievances often associated with informal work, are positively associated with some forms of problem solving in the interest arena. Taken together, our results suggest that under the new world of work, problem solving at work and that concerning productionist issues is increasingly difficult. The lack of work-based resources for problem solving may cause some sectors of the working classes to "shift" their activities to other types of issues in the interest arena, such as making claims concerning consumptionist or political grievances.

II. The Salience of Informality and Materialist Concerns in Latin America

The new world of work in Latin America has featured a large informal sector in recent decades. According to data compiled by the United Nations Economic Commission for Latin America and the Caribbean (ECLAC), the informal sector represented 50.3 percent of non-agricultural employment in Latin America in 2005, up from 47.5 percent in 1990 (cited in Tokman 2007). This increase is particularly notable in a period when economic growth resumed in Latin America after the "lost decade" of the 1980s, a period of economic decline and stagnation due to the debt crisis and the resulting structural adjustment policies. While good data is lacking for years prior to 1990, it is widely asserted that Latin America's informal sector grew substantially in the 1980s. Portes and Hoffman (2003: 49) show that during the period of import-substitution industrialization (roughly 1950-1980), the majority of job growth occurred in the formal sector: the public sector and large and medium firms (15 and 45 percent, respectively). However, the contribution of these two formal sectors to job growth shrank markedly in the last two decades of the twentieth century: Portes and Hoffman estimate that these sectors accounted for only twenty percent of job creation. It fell to the informal sector to fill in the ensuing gap in employment.

Substantial cross-national variation exists in rates of informal employment in Latin America. ECLAC data from 2005 shows that Bolivia has the highest rate of informal employment—71 percent of total non-agricultural employment—compared to Chile, the lowest at only 33 percent (cited in Tokman 2007). Andean and Central American countries have some of the largest informal sectors; Ecuador, Guatemala, Honduras, Paraguay, and Peru all have informal sector employment larger than 55 percent. With more robust rates of economic growth in the 2000s, there has been some improvement in four countries in the region, including two of the countries in the present study: Argentina, Brazil, Chile, and El Salvador had smaller informal sectors in 2005 than in 1990. For every other country in the region, informal employment grew relative to overall employment during that period.

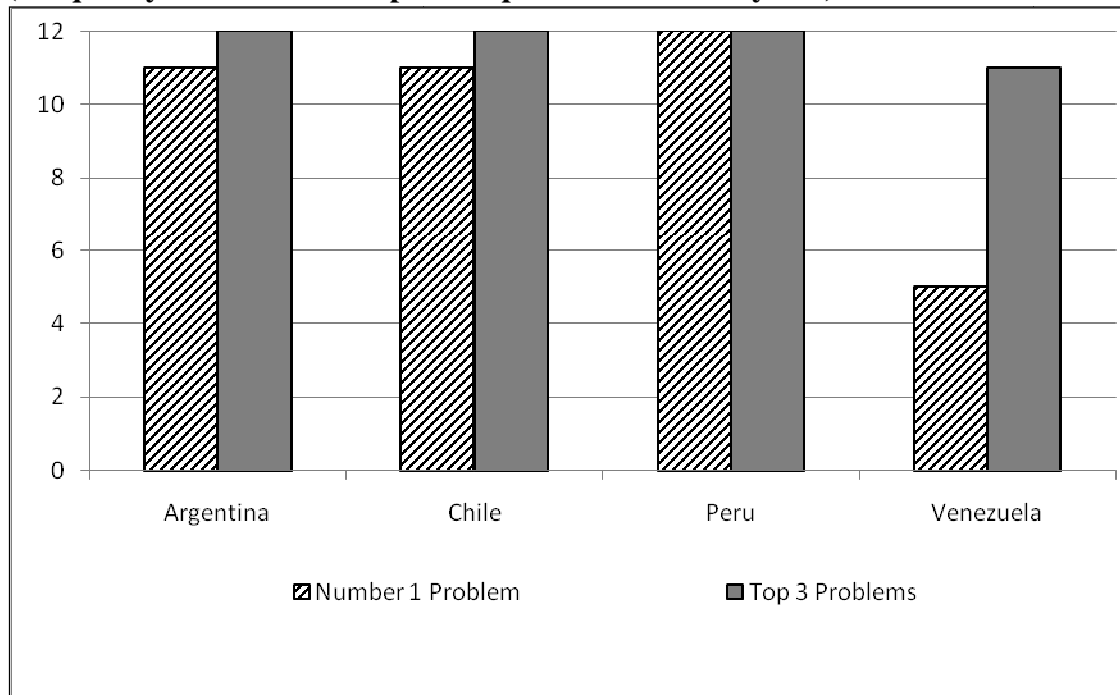
As shown in Table 1, the size of the informal sector as a percentage of non-agricultural employment varies widely among the four countries in our study. Peru has among the largest with an estimated 64 percent while Chile has the smallest with 33 percent. As mentioned, two of the countries—Argentina and Chile—experienced a decline in the size of the informal sector between 1990 and 2005, whereas the other two—Peru and Venezuela experienced an increase. The increase in the relative size of the informal sector in Venezuela represents a huge shift in the labor market, from 40 percent of employment in 1990 to 52 percent in 2005.

Table 1. Informal Sector as Percent of Non-Agricultural Employment, 1990 and 2005

Country	% Informal Sector 1990	% Informal Sector 2005
Argentina	44	41
Chile	38	33
Peru	60	64
Venezuela	40	52

Source: Figures estimated from Figure 1 in Tokman (2007: 87).

Graph 1. Salience of Job Issues
(Frequency cited as most important problem out of 12 years)



Note: Responses to open-ended question “What is most important problem facing your country?” coded by Latinobarómetro as “unemployment,” “employment instability,” or “low salaries,” based on data for the 12 years, 1995-98, 2000-07.

This growth in the informal sector in most Latin American countries has coincided with a sustained pre-occupation with job-related concerns on the part of Latin Americans. As shown in Graph 1, 1995-2007 data available from the Latinobarómetro survey indicate that a large segment of the population in each of the four countries cites job-related issues as the most

important problem facing the country. With a high level of regularity over the twelve years, job-related concerns were the most often-cited problem: eleven times in Argentina and Chile, all twelve times in Peru, and five times in Venezuela. These issues were almost universally among the three problems most frequently cited as most important, including every country-year except 1995 in Venezuela, when it was fourth. It should be noted that at the time of the CIRELA survey, 2002-2003, the salience of work-related issues was at or near its peak in all four countries, cited as the most important problem facing the country by at least 48 percent of respondents in each of the four countries. Thus, the surveys were taken in a context one would expect to be most conducive to work-related problem-solving activities.

III. Conceptualizing Informality

While analysts agree that the informal sector is large, approaches to defining and operationalizing the concept have varied. The International Labor Organization (ILO) introduced the concept of the informal sector in the 1970s in studies of employment in Africa that sought to describe poor people who suffered, not from unemployment, but rather from employment in marginal, insecure jobs that operated in an impromptu fashion (ILO 1972). Since this baptism of the concept, a series of scholars have redefined informality, either explicitly or implicitly, resulting in significant conceptual confusion. In 1987, Peattie described how the concept of the informal sector had been twisted to serve the disparate needs of economists interested in planning, poverty alleviation, structuralism, and economic accounting. As a result, said Peattie, the informal sector “serves all these groups as a banner. It serves none of them adequately as a tool of analysis or as a framework for developing policy” (1987: 857).

Over twenty years later, scholars continue to employ the concept, but it continues to be fuzzy. In this paper, we do not seek to offer a new definition to distinguish between formal and informal work. Rather, we specify a number of traits of work that may be hypothesized to affect problem-solving activity. We thus switch the focus to the “operative traits” that are often associated with informal work, but which may also characterize formal work.

Although use of an aggregated conceptualization of informality would provide little guidance in specifying which work traits affect interest activity, existing definitions are helpful in identifying specific work traits. We thus discuss the prevailing definitions and also note the problems that these aggregated conceptualizations present for measurement. Three main approaches to defining informality can be discerned in the contemporary literature; we refer to these approaches as the “regulation approach,” the “nominal approach,” and the “vulnerability approach.”

Regulation Approach

Perhaps the most commonly accepted method of defining informality highlights the quality of escaping legal regulation. Castells and Portes (1989: 12) offer the following definition: “all income-earning activities that are not regulated by the state in social environments where similar activities are regulated.” Tardanico (1997) similarly defines “informal” as the “segment of employment that has escaped state regulation.” According to Hussmanns (2004: 6), “employees are considered to have informal jobs if their employment relationship is, in law or in practice, not subject to national labour legislation, income taxation, social protection or entitlement to certain employment benefits...” This definitional approach has the benefit of being a clear, well-

demarcated way to think of informality because it defines the informal sector with reference to the state, which can be considered to have forged a “formal” sector through positive action.

This approach encounters two types of measurement problems. First, as Ferchen (2008), Roever (2005) and Cross and Peña (2006) have pointed out, there are “intermediate” types of work. For instance, many workers who are commonly assumed to be “informal” actually work in fairly regulated environments. Street vendors, for example—often understood as prototypical informal workers—are often subject to a variety of forms of formal and informal regulations in many cities. Second, measurement can be costly and difficult, as it generally requires the researcher to collect individual-level survey data to measure whether workers have contracts, are enrolled in social security, pay taxes, or are subject to other forms of regulation. Ultimately, it is difficult for researchers to reach a consensus about which of these indicators is an appropriate criterion for distinguishing between formal and informal workers in large-n analysis. As a “proxy” for measuring state regulation of employment, Portes and Hoffman (2003: 53) suggest that social security is a reasonable indicator; this measure has been picked up by such agencies as the ILO.

Nominal Approach

A second strategy to measuring the informal sector is the “nominal” approach. Analysts who employ this approach do less to set out clear criteria but rather identify a set of occupations. Typically, a number of categories have been established: 1) own-account workers; 2) domestic workers; 3) unpaid family labor; 4) owners of or workers in microenterprises.³ In this conceptualization, street vendors are unproblematically included as informal workers, regardless of any regulation by the state.

The advantage of this approach to the concept of informality is that in principle it can be measured relatively more easily than the regulation approach. That is, one can easily inquire about occupation or job, whereas it is more difficult to ascertain the extent to which those people fall under the purview of the legal system. The disadvantage is that it is not clear what the underlying conceptual dimension is, and we are left with an ad hoc list. In addition, it presents the analyst with the problem of identifying, querying, and coding an unwieldy number of actual jobs.

Vulnerability Approach

A third approach to informality refers to the initial concern with the condition of “vulnerability.” In this conceptualization, informal work is seen as low-paying, “precarious” rather than secure work. Although this approach emerged earlier, more recently scholars concerned with vulnerability recognize that this is a work trait not uniquely associated with informality. For example, Tardanico (2007) explicitly states that vulnerable conditions of work do not necessarily differentiate informal from formal work or create precise criteria for demarcating firms into the two categories.

³ With regard to this last, the size of the enterprise has changed over time, with, for instance, the ILO first defining it as ten or fewer and in 1993 adopting a firm-size threshold that varies based on national legislation, which often specifies five. Needless to say, a further problem here is the many small formal enterprises that exist in any economy.

Inasmuch as employment conditions become more fluid, differentiated, and unequal within the formal and informal sectors alike, the controversial analytic distinction between the two spheres may, in some geographic places, be of diminishing relevance. This possibility—which includes less job stability and security for the middle classes in both wage and nonwage employment—points in the direction of placing less emphasis on change in the balance of formal versus informal labor and more emphasis on change in the social, industrial, occupational, and territorial dimensions of employment insecurity and instability (10).

These alternate conceptualizations of informality—and their corresponding measures—capture vastly different dimensions of work and populations, as evident in Table 2, based on the conditions of work reported by survey respondents. For instance, paying social security and perhaps also having a contract (given the legal right to collective bargaining) are the variables that reflect the regulation approach to (negatively) defining the informal sector. The “specified occupations” variable is constructed on the basis of people’s reported professions to reflect the nominal approach.⁴ The nominal approach is quite highly correlated with the two variables of the regulation approach but not so high that one could say that they are identifying the same population. The two variables that represent measurable facets of the vulnerability approach— income volatility and job instability—are uncorrelated with the other variables, or, indeed, with each other.

Table 2. Correlation Matrix of Informality Traits

	Specified Occupations	Income Volatility	Job Instability	No Contract	No Social Security
Specified Occupations	1.00				
Income Volatility	.08	1.00			
Job Instability	.00	-.02	1.00		
No Contract	.64	.09	.04	1.00	
No Social Security	.51	.04	<i>.11</i>	.60	1.00

Note: Correlations over .1 are in italics, over .2 are bold.

Regardless of the degree of overlap, we are interested in understanding which, if any, of these aspects of the world of work influence trends in problem-solving activity in Latin America. For this reason, we do not narrow our inquiry to a single measure of informality, but rather look at the above work traits in our empirical analysis. The analysis will thus not seek to establish a “better” definition of informality, but instead to look at these traits of work to see which may affect different forms of problem-solving activities.

⁴ Those who were counted as informal included: microentrepreneurs (people who employed fewer than five workers), own-account workers, marginal laborers, and employees who worked for firms with fewer than five employees.

IV. Traits of Work: Distribution across Country and Class

In moving away from an overall conceptualization of informality, we focus our analysis on traits of work that cross the formal/informal divide. These traits have to do with work-based networks, income volatility, job instability, unionization, contracts, and social security status. To some extent, these traits address two competing hypotheses, the “grievance hypothesis” and the “resource hypothesis.” A large work-based network is a resource for collective action: more “formal” workers tend to have such a network and “informal” workers tend to be atomized at work. Income volatility and job instability are both indicators of common grievances and resource constraints that may be increasing in the new world of work, with increasing “informalization” and flexibilization in formal workplaces. We explore two aspects of unionization: the presence of a union, which can be a resource to solve collective action problems, and also union experience, which, although reflecting past conditions of work, may be a kind of resource at the individual level—an aspect of human capital. Finally, we look at whether or not the worker has a contract and whether the worker participates in social security, typical elements of the regulation conceptualization of informality.

In this section we discuss each of these variables in turn and their incidence among workers in the surveys. We present the distribution across the four countries for two reasons. First, differences are apparent and interesting for any comparative analysis. Second, in subsequent sections, we proceed to a pooled sample due to the small numbers in specific subsamples that are of interest; these country distributions give some sense of the disproportionate weight that a particular country may have in that pooled analysis. In the regressions, we include country-level dummy variables to account for cross-national differences

We also provide the distribution across “class” groups in the sample. Given the unreliability of data regarding household income, as well as theoretical reasons for using education (Collier and Handlin 2009: 20-21; Handlin 2011), we distinguish three class categories that we have labeled “popular” (incomplete high school or manual laborers); “middle” (completed high school); and “middle-upper” (some higher education).

Work-Based Networks

Social networks have widely been considered requisite for collective action, and work-based networks have long been recognized as a central basis for labor action and unionization (Kerr, et al. 1960). Work-based networks provide face-to-face opportunities for the discussion and construction of common interests, identities, and grievances, and for mobilization, solidarity, and action. Unions have traditionally grown out of large concentrations of workers in the same workplace. Their ability to address consumptionist and political issues outside of the workplace has been affected by the large numbers they are able to mobilize. Given trends in the past three decades, including the downsizing of firms, the increased use of outsourcing and reliance on a contingent workforce, and the growth of micro-enterprise and own-account workers, work-based networks may be both smaller and relatively fewer. This shift may have implications for the problem-solving behavior of individuals at work and in the aggregate interest arena. We thus explore the extent to which larger work networks affect problem solving in both of these arenas.

Our measure of work-based networks seeks to identify workers with a common target of grievance and to apply to both hired wage workers (henceforth “employees”) and those employed in other types of jobs (non-employees). We constructed a variable based on the number of employees in the same workplace, or, for non-employees the number of people that the respondent knew who bought supplies from or sold goods or services to the same person or who sold in the same area. Less than one-fourth of non-employees belonged to multiple networks, and for those we used the largest network they reported, thus maximizing their measured level of connectedness.

Table 3 demonstrates the cross-national variation of work-based networks for respondents in the four countries under study. In each of the four countries, over half of the respondents reported work-based networks of ten or fewer persons. About one-fifth of respondents in the pooled sample reported having work-based networks larger than 30 members; the size of this group varied from about 18 percent of the sample in Chile to about 25 percent in Venezuela. Argentina had the highest percentage of workers who were completely atomized, without work-based networks (about 18 percent), while Peruvian workers were the least atomized, with 10 percent of employed respondents in Peru having no co-workers

Table 3. Size of Work-Based Network by Country (percent)

	0	1-4	5-10	11-30	31+
Argentina (<i>n</i> = 570)	17.7	22.1	20.2	16.1	23.4
Chile (<i>n</i> = 596)	15.3	22.7	20.6	23.7	17.8
Peru (<i>n</i> = 709)	10.0	21.4	26.7	21.3	20.6
Venezuela (<i>n</i> = 367)	15.3	15.5	20.4	24.0	24.8
Pooled Sample (<i>n</i> = 2242)	14.2	21.0	22.4	21.1	21.4

Table 4 shows the distribution of work-based networks across class categories in the pooled sample and demonstrates that the lower classes are at a disadvantage in terms of this aspect of social capital. Popular-class respondents were about two-and-a-half times more likely to have no work-based network than the highest status group, which was also much more likely to have extensive work-based networks of over 30 (about 29 percent, compared to about 18 percent for popular class and middle class).

Table 4. Size of Work-Based Network by Class (percent)

	0	1-4	5-10	11-30	31+
Popular Class (n = 1112)	18.7	23.5	21.6	18.3	17.9
Middle (n = 454)	13.9	22.9	24.0	20.7	18.5
Middle-Upper (n = 676)	7.1	15.5	22.6	25.7	29.0
Pooled Sample (n = 2242)	14.2	30.1	22.4	21.1	21.4

Income Volatility

Income volatility reflects the extent to which a person's income varies from one week to the next. Income volatility could be hypothesized to increase problem-solving activity through the grievance hypothesis or decrease problem solving through the resource hypothesis. On the one hand, not having a steady income from week to week may be a grievance that individuals attempt to address through problem solving in the interest arena. Alternatively, income volatility could hinder problem solving in the interest arena: without a reliable source of income individuals may be hesitant to engage in such activity to the extent that it involves the expenditure of resources, such as paying for transportation or taking time off work or searching for it. Both of these postulated mechanisms are most likely to occur among members of the lower class groups.

Table 5. Income Volatility by Country (percent)

	No (ratio=1)	Low (1.01-1.5)	Substantial (1.51-2)	High (2.01-4)	Extreme (>4)
Argentina (n = 583)	55.4	5.8	7.7	12.0	19.0
Chile (n = 717)	55.4	9.6	11.3	11.9	11.9
Peru (n = 724)	45.4	7.7	17.0	19.3	10.5
Venezuela (n = 417)	54.7	3.4	10.8	19.4	11.8
Pooled Sample (n = 2441)	52.3	7.1	12.0	15.4	13.2

Income volatility was operationalized as a ratio of a respondent's reported earnings in a "good week" to those in a "bad week." Table 7 shows the distribution of respondents across income volatility categories in the four countries. About half of all respondents reported having no income volatility. In all countries, over 23 percent of respondents reported income volatility

ratios higher than 2.0 (the figure was closer to 30 percent in all but Chile). Extreme volatility of over 4.0 was notably high in Argentina.

Table 8 shows the stratification of the same volatility categories by class group. In a comparison of the popular class with the middle-upper class, it is not surprising that a larger percentage of the former group falls into the higher income-volatility categories, although there is no difference for extreme volatility. More surprising is that the middle class group has the highest levels of income volatility: the lowest percent with no or low volatility and the highest percent with income volatility over 1.5.

Table 6. Income Volatility by Class (percent)

	No (ratio=1)	Low (1.01-1.5)	Substantial (1.51-2)	High (2.01-4)	Extreme (>4)
Popular Class (n = 1181)	49.9	8.5	13.6	15.4	12.6
Middle (n = 507)	44.2	5.5	14.0	20.7	15.6
Middle- Upper (n = 753)	61.6	6.0	8.2	11.8	12.4
Pooled Sample (n = 2441)	52.3	7.1	12.0	15.4	13.2

Job Instability

Job instability may also be an aspect of precariousness in the new world of work. As employment relationships become more flexible and contingent and as formal employment decreases, the expected duration of a stint of employment becomes shorter. Similar to income volatility, job instability can be hypothesized to affect problem solving positively through a grievance-based mechanism or negatively by introducing resource constraints on workers. However, job instability may also function as a measure of job opportunities and flexibility in labor markets, which some analysts have cited as decreasing, rather than increasing the marginality of workers (see for example Córdova 1996). As with income volatility, these effects may vary across class groups. For lower classes it may represent an economic grievance at the same that it may impose a resource constraint due to the necessity of looking for work. For more skilled workers, it may reflect upward mobility and success in the job market.

Job instability was operationalized as the number of jobs respondents reported in the five years prior to the survey. Table 9 reveals surprisingly little cross-national variation and furthermore indicates that job instability is generally quite low: the majority of all currently working respondents reported having only one job in the five-year period in question, and about 80 percent of respondents in each country reported having had no more than two jobs. Of the four countries, Venezuela had somewhat greater job instability, with about ten percent having four or more jobs in five years compared to less than seven percent in the other countries.

Table 7. Job Instability by Country (percent)

	1 job in past 5 yrs.	2 jobs	3 jobs	4 jobs	5+ jobs
Argentina (n = 669)	63.4	22.6	7.8	3.0	3.3
Chile (n = 719)	62.6	21.8	9.7	3.1	2.8
Peru (n = 765)	61.3	20.5	11.2	4.3	2.6
Venezuela (n = 419)	62.5	20.3	7.2	4.8	5.3
Pooled Sample (n = 2572)	62.4	21.4	9.3	3.7	3.3

During a period in which labor flexibilization and informality were growing, how do we account for these surprising low levels of job instability? It may be that even informal workers do not experience job instability as such; rather they may be “locked” into a certain type of informal work over years, particularly in the absence of job opportunities. Hence, as indicated in Table 10, the popular class is slightly more likely to have a single job over a five-year period, although there is little variation in job instability across class groups.

Table 8. Job Instability by Class (percent)

	1 job in past 5 yrs.	2 jobs	3 jobs	4 jobs	5+ jobs
Popular Class (n = 943)	65.9	20.4	7.4	2.8	3.6
Middle (n = 708)	60.7	21.3	9.9	5.1	3.0
Middle-Upper (n = 921)	60.1	22.5	10.6	3.6	3.1
Pooled Sample (n = 2572)	62.4	21.4	9.3	3.7	3.3

Unionization

Respondents were asked two questions about unions: first, whether they have belonged to a union at any point in their life (union experience); and second, whether there is a union in their current place of employment (union access). Union experience may be hypothesized to affect problem-solving activity because past union participation may have imparted a repertoire of relevant action and a higher degree of human capital, including a greater sense of efficacy that could carry over into current activities. A unionized workplace or union access is a trait clearly

associated with formal work, and unions have historically been central to collective action and demand making in Latin America, as elsewhere.

As seen in Table 5, both aspects of unionization show substantial variation. Argentina has the highest percentage of respondents connected to unions on both measures, by a large margin. Most notably, over 35 percent of Argentine respondents have access to a union, while less than twenty percent have access to a union in each of the other three countries.

**Table 9. Union Experience and Union Access by Country
(percent)**

	Union Experience	Union Access
Argentina	23.1 (n = 706)	35.3 (n = 711)
Chile	15.2 (n = 739)	17.5 (n = 739)
Peru	10.5 (n = 800)	10.3 (n = 803)
Venezuela	8.4 (n = 476)	14.9 (n = 476)
Pooled Sample	14.7 (n = 2721)	19.6 (n = 2729)

**Table 10. Union Experience and Union Access by Class
(percent)**

	Union Experience	Union Access
Popular Class	13.5 (n = 1016)	14.5 (n = 1020)
Middle	13.3 (n = 751)	19.5 (n = 755)
Mid-Upper	17.0 (n = 953)	25.1 (n = 954)
Pooled Sample	14.7 (n = 2720)	19.6 (n = 2729)

Contract and Social Security

Contract status and rates of participation in social security, characteristics associated with the regulation approach to defining the formal-informal divide, vary widely by country, as shown in Table 11. Chile has the highest rates of regulated work, with half of respondents having work contracts and being enrolled in social security. The rate of contract employment is substantially lower in the other countries. The rate of social security contribution varies more widely, with a low of 22.3 percent in Peru.

Both union variables vary by social class (Table 6), particularly union access. Since union experience picks up past conditions, the greater cross-class differences for present union access suggests that unions have become less prevalent in popular-class jobs compared to higher class groups.⁵ This observation corroborates past findings of scholars who have observed the resilience of white-collar and service sector unions while noting that unions in the traditional proletarian industries have suffered the greatest declines in membership (see, for example Murillo 2001; Burgess 2004; Cook 2007).

**Table 11. Contract Status and Social Security by Country
(percent)**

	Has Contract	Pays Social Security
Argentina	35.2 (n = 664)	43.9 (n = 697)
Chile	50.4 (n = 734)	55.4 (n = 735)
Peru	32.4 (n = 788)	22.3 (n = 799)
Venezuela	35.7 (n = 468)	31.9 (n = 473)
Pooled Sample	38.7 (n = 2654)	38.5 (n = 2704)

Contract status and rates of participation in social security are highly affected by class status, as shown in Table 12. The highest status group is about twice as likely to work under contracts and contribute to social security as the popular classes, with the middle class in between. The incidence of the two variables is very similar within class groups.

**Table 12. Contract Status and Social Security by Class
(percent)**

	Has Contract	Pays Social Security
Popular Class	26.6 (n = 983)	24.5 (n = 1009)
Middle	38.4 (n = 731)	37.0 (n = 748)
Mid-Upper	51.5 (n = 940)	54.8 (n = 944)
Pooled Sample	38.7 (n = 2654)	38.5 (n = 2701)

⁵ The survey question about union availability asked if there is a union in the respondent's place of employment, not whether the respondent currently belongs to a union. Several respondents—most notably in the highest class group—reported that they had unions in their current place of employment, but no union experience. It may be that other types of workers were unionized in these workplaces.

V. Problem-Solving Activities and Work Traits

We analyze two sites of problem-solving activity: at work and in the interest arena. Because too few respondents engaged in problem solving at work to produce statistically significant results in disaggregated categories, we used a dichotomous variable: respondents were assigned a 1 if they engaged in any type of problem solving at work during the five-year period and a 0 if they did not. In the pooled sample, 21.9 percent reported having engaged in problem solving at work. Primarily these were employees (of whom 36.2 percent as opposed to 13.4 percent of other workers, engaged in such activity). For employees, most activities were claims targeted at employers. For non-employees, the most frequent target of claims was common providers of goods (though only about 3.9 percent), with smaller numbers directing work claims to the government, engaging in collective self-provisioning, and directing claims toward other targets, such as common customers.

Our analysis of problem solving in the interest arena considers three aspects of these activities: strategies, issues, and co-participants. We are particularly concerned with state-targeted strategies, but for comparative purposes also present data for collective self-provisioning, which may involve distributions from government programs. Three types of state-targeted activities are distinguished: direct contact (such as contacting a government office or pursuing legal action), intermediated (through a party or “influential intermediary”, and contentious (protest or petitions). Table 13 presents the incidence of workers engaging in each type of activity.⁶

Table 13. Problem-Solving Strategies in the Interest Arena

	Variable	Operationalization	Percent of Respondents
Problem-Solving Strategies	State-Targeted: Direct	Contacted the government; pursued legal action	17.7
	State-Targeted: Intermediated	Contacted a political party; contacted a “person with contacts or influence”	11.7
	State-Targeted: Contentious	Engaged in protest; signed a petition	22.4
	Collective Self-Provisioning	Gathering resources with others for common use; engaging in group service provision	17.1

n=2729

Table 14 presents the incidence of workers engaging in problem solving concerning each type of claim and with different categories of co-participants. In this table, the incidence of self-provisioning activities is notable, particularly as a strategy for addressing consumptionist issues (one-third of all consumptionist-oriented activities are addressed through self-provisioning). Given our greater focus on state-targeted strategies, in the rest of this study, we exclude self-provisioning activities when we report rates of types of issues and co-participants. It is particularly notable that a very low percentage of respondents reported engaging in productionist

⁶ In this and subsequent tables, respondents received a 1 if they reported having engaged in that form of problem solving in the five-year period prior to the administration of the survey.

problem solving (less than 10 percent), in comparison to nearly twice that many in consumptionist and political problem solving. Even fewer respondents engaged in problem solving with work-based contacts

Table 14. Types of Issues and Co-Participants for Problem Solving in the Interest Arena

	Variable	Operationalization	Percent of Respondents (only state-targeted)	Percent of Respondents (state-targeted plus self-provisioning)
Types of Issues	Productionist	Unemployment; working conditions; wages	9.5	9.6
	Consumptionist	Social Services; poverty; residential/ neighborhood	20.2	31.2
	Political	Political problems (corruption, parties, human rights); “public bads” (crime, drugs, pollution)	19.6	22.1
Co-participants	Work-Based Group	Work-based contacts	3.5	4.9
	Non Work-Based Group	Neighbors; church group; other non work-based group	6.1	10.5
	Alone	Alone; with family	25.2	NA

n=2729

In the data analysis, these outcomes are treated as eleven separate variables (the ten in Tables 13 and 14 plus problem solving at work. We first analyze correlations of work traits with each of these variables. In the subsequent section, we undertake multivariate logistic regression with each of these variables as the dependent variables.

Work-Based Networks

Individuals with large work-based networks may engage in problem-solving activities more frequently because these networks serve as social capital, uniting people with common work-related interests. One might expect this relationship to be most notable for work-based problem solving, and such networks may also form a basis for problem solving concerning productionist issues in the interest arena. Historically, work-based networks spearheaded by unions have also been central to problem solving around other types of issues in the interest arena, including political issues.

Table 15 shows first the rates of work-based problem solving for respondents in ordinal categories of work-based networks. As hypothesized, there is a strong positive and linear relationship between network size and work-based problem solving. Respondents in the largest

work-based network category (31+) were almost four times as likely to engage in problem solving at work as those in the smallest category (1-4).

The data in Table 15 suggest that larger work-based networks are also correlated with higher rates of participation for most problem-solving strategies in the interest arena. Except for appeals to an intermediary, atomized workers (those with no work-based networks) have the lowest rates. In general, there appears to be a threshold in that a network effect emerges primarily with the largest networks, although for contentious strategies even smaller networks make a difference. The impact of work-based networks appears to be least important for problem solving through an intermediary, a strategy that is particularly conducive to individual favors and “fixes.” In addition to state-targeted strategies, there is a linear association between network size and collective self-provisioning, although the differences are smaller than for state contacting and contentious strategies.

Table 15. Size of Work-Based Network and Problem-Solving Strategy (percent)

		Problem Solving at Work **	Problem-Solving Strategy in the Interest Arena			
			State Targeted: Direct **	State Targeted: Inter-mediated	State Targeted: Contentious **	Self-Provisioning *
Size of Work-Based Network	0 (n = 319)	NA	14.4	11.6	14.1	14.7
	1-4 (n = 470)	11.2	17.7	10.6	21.1	15.5
	5-10 (n = 502)	23.8	15.7	12.5	24.3	16.5
	11-30 (n = 472)	33.0	17.8	11.0	22.9	17.8
	31+ (n = 479)	40.2	23.8	14.2	29.6	20.7
Total (n = 2236)		24.4	18.1	12.0	23.0	17.2

+ = p < .1, * = p < .05, ** = p < .01, from Kendall’s Tau significance test

With few exceptions, larger work-based network categories also correspond to higher rates of problem solving for the three types of issues we examine: productionist, consumptionist, and political (Table 16). Atomized workers again engage in problem solving at the lowest rates across all three categories. Having even a small network (1-4) seems to make a difference for problem solving for consumptionist and political issues. For productionist issues however, a less common type in the interest arena, a relationship is seen only for larger networks.

Overwhelmingly, individuals participate alone in the interest arena. To the extent they participate in groups, work-based groups do not appear as a privileged source of collective activity and indeed lag behind the importance of other groups unless work-based networks are very large. Respondents belonging to the largest work-based network category engage in problem solving alone more frequently than those with smaller work-based networks, suggesting that large work-

based networks provide sources of human or social capital that facilitate problem solving even when work colleagues are not involved.

Table 16. Size of Work-Based Network and State-Targeted Problem Solving in the Interest Arena: Type of Issue and Co-Participants (percent)

		Type of Issue			Co-Participants		
		Productionist **	Consumptionist *	Political **	Work-Based **	Non Work-Based	Alone +
Size of Work-Based Network	0 (n = 319)	7.5	16.9	12.9	1.3 ^a	2.8	22.6
	1-4 (n = 470)	7.7	21.1	19.6	1.1	7.2	26.2
	5-10 (n = 502)	8.0	22.5	21.1	4.0	6.6	22.5
	11-30 (n = 472)	10.4	19.3	18.2	2.8	7.0	23.7
	31+ (n = 479)	13.6	23.6	26.5	9.2	6.5	30.1
Total (n = 2236)		9.5	21.0	20.2	3.8	6.2	25.2

+ = p < .1, * = p < .05, ** = p < .01, from Kendall's Tau significance test

^a While the survey question on networks asked about current job, questions about activity in the interest arena concerned the prior 5 years. Hence, those without a current work-based network may nevertheless report strategies with (past) work-based co-participants.

Income Volatility

Income volatility—the extent to which a person's income varies from one week to the next—can be hypothesized to affect problem-solving rates either positively or negatively. As an indicator of hardship, income volatility may increase grievances that motivate people to engage in problem solving more frequently. Alternatively, income volatility may decrease problem solving if the lack of a steady income makes it more difficult to devote the economic resources necessary for many types of problem solving.

Income volatility is associated with less problem solving at work, despite the fact that income volatility is a work-related grievance (Table 17). Of course, volatile income may be associated with work factors (such as contingent work and job instability), which make it difficult to press claims at work. In terms of activity in the interest arena, our data are more consistent with the grievance hypothesis for problem solving in the interest arena, where higher levels of income volatility are generally associated with higher rates of problem solving. Those with extreme income volatility tend to engage in problem solving at higher rates than most other groups across all strategies, except self-provisioning.

Table 17. Income Volatility and Problem-Solving Strategy (percent)

		Problem Solving at Work **	Problem-Solving Strategy in the Interest Arena			
			State Targeted: Direct **	State Targeted: Inter-mediated	State Targeted: Contentious +	Self-Provisioning +
Income Volatility	No (ratio=1) (n = 1277)	26.5	16.1	11.9	20.6	16.3
	Low (1.01-1.5) (n = 173)	21.2	12.1	11.0	25.4	21.4
	Substantial (1.51-2) (n = 294)	18.3	18.7	9.2	21.1	14.6
	High (2.01-4) (n = 376)	20.5	19.1	12.2	22.3	21.3
	Extreme (>4) (n= 321)	17.8	25.2	14.6	25.2	18.7
	Total (n = 2441)	22.8	17.8	11.9	21.9	17.5

+ = p < .1, * = p < .05, ** = p < .01, from Kendall's Tau significance test

Table 18 indicates a threshold effect with extreme income volatility associated with greater activity across all types of issues. In terms of co-participants, the data suggest that greater income volatility is associated with more problem solving alone, but not with other others.

Table 18. Income Volatility and State-Targeted Problem Solving in the Interest Arena: Type of Issue and Co-Participants (percent)

		Type of Issue			Co-Participants		
		Productionist *	Consumptionist *	Political **	Work-Based +	Non Work-Based	Alone **
Income Volatility	No (ratio=1) (n = 1277)	8.5	19.7	18.2	4.1	6.2	23.3
	Low (1.01-1.5) (n = 173)	7.5	15.0	21.4	5.8	8.7	20.8
	Substantial (1.51-2) (n = 294)	8.8	19.7	18.4	2.0	4.4	22.4
	High (2.01-4) (n = 376)	9.0	22.3	17.8	2.7	5.3	24.7
	Extreme (>4) (n = 321)	14.6	22.4	25.5	3.1	6.9	37.1
	Total (n = 2441)	9.3	20.1	19.4	3.6	6.1	25.0

+ = $p < .1$, * = $p < .05$, ** = $p < .01$, from Kendall's Tau significance test

Job Instability

Like income volatility, job instability can be hypothesized to have a positive or negative relationship with problem solving in the interest arena, through either a grievance hypothesis (a positive relationship) or a resource-mobilization hypothesis (a negative relationship). It should be noted that over half of the respondents (1605 out of 2572) had only one job during the five-year period and that the highest job instability categories (4 and 5+ jobs,) are relatively small (95 and 84 respondents, respectively). However, surprisingly—and apparently counter to both these hypotheses—job instability is associated with greater work-based problem solving in a person's current place of work, as shown in the first column of Table 19.

For problem solving in the interest arena, the positive relationship pertains to intermediary and self-provisioning strategies. Those facing job instability may rely on patronage and are more apt to make up for failings in the job market by self-provisioning than by contacting state institutions or engaging in contentious problem solving. The fact that these rates of problem solving are highest in the middle categories may reflect that the resource hypothesis kicks in only at extreme levels of job instability.

Table 19. Job Instability and Problem-Solving Strategy (percent)

		Problem Solving at Work *	Problem-Solving Strategy in the Interest Arena			
			State Targeted: Direct **	State Targeted: Inter-mediated **	State Targeted: Contentious **	Self-Provisioning **
Job Instability (jobs in past 5 years)	1 (n = 1605)	21.1	16.1	10.2	20.1	16.2
	2 (n = 550)	22.8	21.3	12.7	26.7	18.0
	3 (n = 238)	24.3	22.7	18.1	25.6	19.7
	4 (n = 95)	25.6	20.0	18.9	31.6	26.3
	5+ (n = 84)	32.9	17.9	15.5	20.2	20.2
Total (n = 2572)		21.9	18.0	12.0	22.5	17.4

+ = p < .1, * = p < .05, ** = p < .01, from Kendall's Tau significance test

Table 20. Job Instability and State-Targeted Problem Solving in the Interest Arena: Type of Issue and Co-Participants (percent)

		Type of Issue			Co-Participants		
		Productionist **	Consumptionist **	Political **	Work-Based	Non Work-Based **	Alone **
Job Instability (jobs in past 5 years)	1 (n = 1605)	8.1	18.9	17.5	3.6	5.0	22.1
	2 (n = 550)	12.4	23.6	22.4	3.1	7.5	31.1
	3 (n = 238)	14.3	24.7	22.7	3.8	10.5	30.7
	4 (n = 95)	12.6	20.0	28.4	5.3	5.3	30.5
	5+ (n = 84)	7.1	21.4	22.6	2.4	8.3	25.3
Total (n = 2572)		9.7	20.6	19.6	3.5	6.1	25.2

+ = p < .1, * = p < .05, ** = p < .01, from Kendall's Tau significance test

Higher levels of job instability have little discernable influence on participation regarding any of the issues or co-participants, as shown in Table 20. If anything, those with only one job during

the time period in question were less likely to engage in all three types of issues—productionist, consumptionist, and political—than respondents with higher levels of job instability, adding credence to the grievance hypothesis, with somewhat greater activity on the part of those with intermediate levels of job instability.

“Formal” Work Traits

If the work traits we have been examining are the “operative traits” that may be increasingly prevalent in the new world of work, we group together in this section those traits associated with the “old” world of work: social security enrollment, work contracts, wage earning, union access, and union experience. In Tables 21 and 22 each is considered as a dichotomous measure. Each cell presents the phi (ϕ) measure of association.

All of these traits are significantly associated with problem solving at work. They are also all associated with activity in the interest arena with co-workers as participants. These traits of the “formal” world of work are clearly associated with a pattern of activity to defend worker interests, a pattern that is less prevalent in the new more “informal” world of work. In particular, wage earners, who are distinguished from own-account workers, engaged in several types of problem solving at higher rates. As suggested in the data at the beginning of Section V, the presence of an employer as an easily identifiable target of grievance at work may privilege these workers in problem solving. The other important point suggested by Tables 21-22 is the consistent effect of both union access and union experience on virtually all types of activity examined. Union experience and access seem to increase human and social capital in ways that promote problem solving alone and problem solving concerning all types of issues.

Table 21. “Formal” Work Traits and Problem-Solving Strategy

	Problem Solving at Work	Problem-Solving Strategy in the Interest Arena			
		State Targeted: Direct	State Targeted: Inter-mediated	State Targeted: Contentious	Self-Provisioning
Social Security	.225 **	-.019	-.030	.018	-.027
Contract	.196 **	-.022	-.006	.013	-.010
Wage earner	.213 **	.010	.045 **	.040 **	.021
Union Access	.209 **	.018	.024	.081 **	.014
Union Experience	.171 **	.129 **	.061 **	.128 **	.065 **

+ = $p < .1$, * = $p < .05$, ** = $p < .01$, numbers shown are a phi statistic against a null hypothesis.

In sum, the analysis reveals several interesting relationships between aspects of the world of work and problem-solving trends, both at work and in the interest arena. In bivariate relations we observe that large work-based networks, union experience, and access to a union facilitate problem solving generally. The other variables considered have less consistent relationships with problem-solving trends or have more nuanced effects—correlated with certain types of problem solving more than others.

Table 22. “Formal” Work Traits and State-Targeted Problem Solving in the Interest Arena: Type of Issue and Co-Participants

	Type of Issue			Co-Participants		
	Productionist	Consumptionist	Political	Work-Based	Non Work-Based	Alone
Social Security	.013	-.012	.000	.086 **	-.036 +	.026
Contract	.006	.003	-.022	.086 **	-.002	.003
Wage earner	.035 **	.029 *	.034 **	.099 **	.013	.030 *
Union Access	.086 **	.046 **	.036 **	.116 **	.021 +	.040 **
Union Experience	.135 **	.096 **	.115 **	.152 **	.003	.104 **

+ = $p < .1$, * = $p < .05$, ** = $p < .01$, numbers shown are a phi statistic against a null hypothesis.

VI. Regressions

We now turn to multivariate logistic regressions in order to discern the independent effects of each of the work traits and to control for the effect of other, non-work-related covariates. We start with three *worked-based resources*, which are related to the “old” world of work and, as we saw above, are themselves interrelated: union experience, union access, and work-based networks. We then discuss the two variables that reflect the *precariousness of work* (income volatility, job instability) and variables that reflect the *regulation of work* (work contract, contribution to social security). We also introduce several controls related to demographic, socio-economic, and cross-national variation, including: education, gender, years lived in current residence (to capture potential neighborhood networks), age, age squared (to capture a potentially nonlinear effect of age), and country.⁷ Table 23 shows the results of three regressions, whose dependent variables are, respectively: 1) work-based problem solving, 2) state-targeted strategies in the interest arena (aggregating direct, intermediated, and contentious), and 3) self-provisioning. Table 24 shows the result of six regressions: the three types of issues that problem-solving activities seek to redress and three categories of co-participants.

Work-Based Resources

The variables that reflect work-based resources have the strongest relationship with problem solving. Echoing the bivariate findings, a respondent’s union experience is the most important correlate of problem solving, both at work and in the interest arena. It is unsurprising that union experience, controlling for union access, is associated with work-related problem solving, as past experience would provide respondents with a repertoire for work-based action. We continue to observe that union experience is associated with higher rates of problem solving around consumptionist issues in the interest arena, but it does not have a significant relationship with

⁷ We conducted a sensitivity analysis to gauge the effect of excluding variables from the statistical model. We alternately removed the variables of work contract and social security because of their multi-collinearity, and, union experience and union access because of their conceptual proximity. These had very little, if any impact on the findings, causing at most one of the associations to “attain” or “lose” statistical significance in one of the nine regressions. We also conducted several regressions with fewer independent variables and did not find significantly different results in terms of the sign (positive or negative) or even significance levels.

problem solving with work-based or non-work-based groups. Union experience thus seems to produce an individual resource or sense of efficaciousness for resolving not only work-based issues but also quite different types of non-work-related issues, which are addressed through a quite different set of activities.

The effect of union access is more limited. It is very strongly and positively associated with work-based problem solving, but negatively associated with problem solving in the interest arena: those who have access to unions in their current place of work are less active outside the work arena itself. This negative association between union access and problem solving in the interest arena did not emerge in the bivariate analysis; however, once we control for work-based networks and union experience, the impact of union access is negative. In comparison with those who do not have access to unions, respondents with access are significantly less likely to engage in self-provisioning or in state-targeted activities in the interest arena around consumptionist or political issues. They are also less likely to engage in problem solving with non-work-based groups. Perhaps having access to a union allows workers to seek redress at work while lessening the perceived need to engage in problem solving outside of work.

Finally, the size of work-based networks is positively associated with problem solving in the interest arena, including both state-targeted and society-targeted strategies, and all types of issues. However, those with larger work-based networks are not more likely to engage in problem solving with work acquaintances, either in the interest arena or at work, contrary to the strong positive association between networks and problem solving at work in the bivariate analysis. Thus, controlling for union access, work-based networks have no additional impact on the ability of respondents to solve problems at work.

Precariousness of Work

The variables that reflect the precariousness of work—income volatility and job instability—can be perceived of as job-related problems. Under the grievance hypothesis we would expect people that suffer from these problems to engage in more problem solving around productionist issues in the interest arena. However, those with income volatility and job instability do not find channels in the interest arena for addressing these types of productionist issues. Instead, these grievances seem to motivate or be expressed as consumptionist and political issues, more often than not involving atomized action on the part of the respondent. These two traits are associated with distinct problem-solving strategies: income volatility appears to be positively associated with self-provisioning and job instability is associated with work-based and state-targeted problem solving. The puzzling relationship between job instability and work-based problem solving observed in the bivariate analysis reappears in the regression analysis.

Regulation of Employment

Two work traits that may be seen as reflecting the regulation approach to informality, having a work contract and enrolling in social security, seem to have little influence on problem solving in the regressions. These two variables are closely correlated, but the results remain unchanged when either of these is eliminated from the regressions. The effects of these traits are minimal for problem solving at work after controlling for union access and experience. Similarly, these traits add little to the likelihood of engaging in problem in the interest arena. However, there is some

tendency for those with contracts to undertake activity with work-based groups and to address political issues in the interest arena.

Table 23. Problem-Solving Strategy (logistic regression)

	Problem Solving at Work	Problem-Solving Strategy in the Interest Arena	
		State-Targeted	Self-Provisioning (Society-Targeted)
Union experience	1.05 *** (.238)	.497 * (.212)	.534 * (.264)
Union Access	.556 * (.241)	-.285 (.226)	-.716 * (.317)
Work-Based Network	.005 (.003)	.006 * (.003)	.006+ (.003)
Income Volatility	-.005 (.004)	.004 (.003)	.009 * (.004)
Job Instability	.147 * (.063)	.121 * (.056)	.098 (.073)
Has Contract	.015 (.264)	.236 (.228)	.173 (.281)
Pays Social Security	.527 + (.278)	-.365 (.239)	.136 (.299)
Level of Education	-.021 (.107)	.109 (.088)	.256 * (.112)
Female Dummy	.230 (.178)	.129 (.144)	-.113 (.189)
Years in Residence	.004 (.008)	-.005 (.007)	-.025** (.009)
Age	.033 (.042)	.105 *** (.031)	.151 ** (.047)
Age Squared	-.001 (.001)	-.001 ** (.000)	-.002** (.001)
Chile	-.099 (.210)	-.298+ (.178)	-1.294 *** (.245)
Argentina	-.987 ** (.309)	.314 (.215)	-.860** (.294)
Venezuela	-.327 (.288)	-.132 (.234)	-1.034 ** (.334)
Pseudo R-squared ⁸	.091	.036	.093

Note: State targeted strategies include problem solving through state institutions, though an intermediary, and contentious problem solving. These categories were combined for the regressions in order to increase number of positive responses.

⁸ Pseudo R-squared calculated as 1-(residual deviance/null deviance). See definition in Fox (2008: 347).

Table 24. State-Targeted Problem Solving in the Interest Arena: Type of Issue and Co-Participants (logistic regression)

	Type of Issue			Co-Participants		
	Productionist	Consumptionist	Political	Work-Based	Non Work-Based	Alone
Union experience	.611 * (.311)	.804 *** (.220)	.473 * (.241)	.397 (.525)	-.458 (.440)	.315 (.228)
Union access	.225 (.337)	-.537 * (.249)	1.393 *** (.326)	.147 (.508)	-.773* (.457)	-.187 (.256)
Work-based Network	.012** (.004)	.005 + (.003)	.005+ (.003)	.007 (.005)	.010* (.004)	.003 (.003)
Income Volatility	.002 (.004)	.006 * (.003)	.006 + (.003)	-.004 (.016)	.003 (.005)	.009 ** (.003)
Job Instability	-.033 (.094)	.115 + (.060)	.175 ** (.063)	.017 (.139)	.093 (.086)	.072 (.064)
Has Contract	-.200 (.396)	.144 (.242)	.535 * (.258)	.997 * (.463)	.342 (.360)	.374 (.258)
Pays Social Security	-.694 (.426)	-.141 (.253)	-.115 (.276)	-.233 (.579)	-.645 (.414)	-.346 (.270)
Level of Education	-.230 (.146)	.162 + (.093)	.285 ** (.102)	-.342 (.218)	.404 ** (.145)	.161 (.099)
Female Dummy	-.271 (.246)	.214 (.154)	-.079 (.169)	.189 (.350)	.090 (.237)	.156 (.164)
Years in Residence	.004 (.011)	-.020 ** (.007)	-.008 (.008)	.000 (.017)	-.002 (.011)	.003 (.007)
Age	-.026 (.049)	.155 *** (.036)	.097 ** (.036)	.100 (.094)	.054 (.060)	.126 *** (.037)
Age Squared	.000 (.001)	-.002 *** (.000)	-.001* (.000)	-.001 (.001)	-.001 (.001)	-.001 ** (.000)
Chile	.323 (.298)	-.673 *** (.191)	-.435 * (.221)	-2.066 *** (.611)	-.428 (.290)	.623** (.205)
Argentina	.848 ** (.322)	-.281 (.229)	.605 * (.244)	-2.168 * (.938)	-.303 (.369)	.824 *** (.243)
Venezuela	-.415 (.488)	-.861 ** (.268)	.461 + (.258)	.224 (.423)	-1.192* (.496)	.075 (.287)
Pseudo-R squared	.069	.071	.076	.128	.074	.056

VII. Discussion

In cross-national surveys throughout Latin America, citizens have indicated that productionist issues are salient. This paper has asked about the ability of Latin American workers to address these issues in the current period, which has afforded unprecedented political opportunities.

Since the Third Wave of democratization swept the region starting in the 1970s, elections have been held regularly, offering choices among competing parties to an unrestricted electorate. Further, a surge in organizing has offered new structures for aggregating and articulating societal interests. The political arena is thus more open to claim making than it has ever been. How, then, do the working classes of Latin America seek to act and address productionist issues, which they consider one of the most pressing and salient types of problems?

There are two primary channels through which the workers can address productionist issues: they can make claims either at work or in the interest arena. This paper has explored what we have referred to as problem-solving activity by workers in both these arenas. During the period of ISI, workers acted in both arenas, primarily through unions. However, the world of work has been changing in Latin America. Though formal and especially unionized work never encompassed most of the region’s working classes, formal work was a primary area of job growth prior to the transition to neoliberalism. In contrast, since the 1980s work in the informal sector has become the greater source of job growth (Portes and Hoffman 2003: 49), and informal work is difficult to unionize. Indeed, unionization has dropped dramatically in Latin America, as indicated by data for the four countries analyzed in this study (Table 25).

Table 25: Union Density

	Argentina	Chile	Peru	Venezuela
Union Density in Peak Years	50.1 (1975)	35.0 (1973)	25.0 (1976/7)	26.4 (1988) ^a
Union Density in 1995	22.3	12.7	5.7	13.5

Note: Table adapted from Collier and Handlin (2009: 79), which used union density figures from Roberts database and Roberts (forthcoming). Union density is calculated as the percent of the total labor force that is unionized.

^a Because of the late adoption of economic reforms in Venezuela, union density peaked later than elsewhere.

It is in this context of a changing world of work that we have analyzed the degree to which and the ways in which workers have addressed productionist issues related to jobs, work conditions, and wages. Rather than analyzing workers in the “formal” and “informal” sectors, we examined what we referred to as the “operative traits” of work, that is, those traits, commonly associated with the contrasting conceptions of informal work, that may be hypothesized to affect the capacity of workers to engage in problem-solving activities. These traits include not only unionization but also work-based networks, the precariousness of work, and the regulation of work. At the same time, we explored whether or not these traits of work might have an impact on problem-solving activity around other issues, including consumptionist and political issues to which productionist issues might be “displaced” or “re-constructed.”

In terms of presenting claims at work, it is clear, and unsurprising, that access to a union is particularly important. The declining density of unions is thus extremely consequential for workers’ capacity to address problems at work. More surprising is the importance to an individual of having been a member of a union. It thus seems that past union membership affords a sense of efficacy and perhaps a repertoire of action that facilitates undertaking activities to address problems or claims at work. The decline of unions thus has an additional impact on the future capacity of individuals to address job-related problems at work by removing an important source of human capital.

The interest arena is not a robust site for addressing productionist issues. To the extent that productionist issues arise at all, unions remain an important resource: a lack of union access negatively affects problem-solving activity, even outside of work. Work-based networks also seem independently to promote activity in the interest arena around productionist issues. On the one hand, many jobs in the new world of work are quite atomized, without large networks; on the other, it may be that even small networks are effective in promoting activity in the interest arena concerning these issues. The small proportion of respondents that reported engaging in productionist issues at all—9.5 percent, compared with 20.2 percent for consumptionist and 19.6 percent for political—suggests that the shifting world of work is leading to a “displacement” of problem solving away from productionist issues. Interestingly, these work-based traits even affect self-provisioning activities around consumptionist and political demands, so that those without such resources are less likely to, for instance, engage in activities for supplying neighborhood services or addressing political “bads” such as crime.

In sum, the traits associated with the new world of work appear to affect problem-solving activities through two distinct mechanisms. On the one hand, the absence of work-based resources, such as unions and large work-based networks is associated with lower rates of activity at work and also in state-directed activities around all kinds of issues and in collective self-provisioning. On the other hand, the grievances of income volatility and job instability are associated with higher rates of activity around consumptionist and political issues.

We regard these findings as preliminary, to be followed up by further research. They do, however, point to the relevance of further developments in the unfolding world of work and the question of whether the trends of the last thirty years will continue. The changing world of work of these decades reflected larger economic changes in the international economy from the post-WWII institutions to the post-Bretton Woods arrangements and the turn to more internationally integrated, competitive and marketized economies. A question is thus if this pattern will continue or if new arrangements will be worked out. First, it would be interesting to track the future trends in the traits of work. Will workforces continue to become more contingent, with higher degrees of built-in job instability and income volatility? Will unions continue their decline? Will work be increasingly atomized, with smaller work-based networks? Second, will non work-based structures of interest representation such as neighborhood associations be capable of channeling collective action concerning productionist issues? Or rather, will experiments in participatory governance become widespread enough to fill this purpose? Finally, if neither society- nor state-based institutions of interest aggregation prove capable of channeling productionist problem solving, will people cease conceiving of productionist issues as salient and (continue to) reorient their problem-solving activities towards other types of issues?

Bibliography

- Burgess, Katrina (2004) *Parties and Unions in the New Global Economy*. Pittsburgh: University of Pittsburgh Press.
- Castells, Manuel and Alejandro Portes (1989) "World Underneath: The Origins, Dynamics, and Effects of the Informal Economy" in Manuel Castells, Alejandro Portes, and Lauren Benton, eds. *The Informal Economy: Studies in Advanced and Less Developed Countries*. Baltimore: Johns Hopkins University Press, pp. 11-40.
- Collier, Ruth Berins and Samuel Handlin (2009) "Introduction: Popular Representation in the Interest Arena." In Collier and Handlin, eds., *Reorganizing Popular Politics: Participation and the New Interest Regime in Latin America*. University Park: Pennsylvania State University Press.
- Cook, Maria Lorena (2007) *The Politics of Labor Reform in Latin America: Between Flexibility and Rights*. University Park: Pennsylvania State University Press.
- Córdova, Efrén (1996) "The Challenge of Flexibility in Latin America," *Comparative Labor Law Journal* 17: 314-37.
- Cross, John and Sergio Peña (2006) "Risk and Regulation in Informal and Illegal Markets," in Patricia Fernández-Kelly and Jon Shefner, eds. *Out of the Shadows : Political Action and the Informal Economy in Latin America*. University Park: Pennsylvania State University Press.
- Ferchen, Matthew (2008) *Regulating Market Order in China: Economic Ideas, Marginal Markets, and the State*. PhD Diss, Cornell University.
- Handlin, Samuel (2011) "Survey Research and Social Class in Latin America: Criteria for Choosing Measures and a Test of the Impact of Choice in Venezuela." Manuscript.
- Husmanns, Ralf (2004) "Measuring the informal economy: From employment in the informal sector to informal employment," Working Paper No. 53, Geneva: International Labour Organization, Bureau of Statistics.
<www.ilo.org/public/english/bureau/stat/download/papers/wp53.pdf>
- International Labour Organization (1972) "Employment, incomes and equality; a strategy for increasing productive employment in Kenya." Geneva.
- _____ (1993) "Resolution concerning statistics of employment in the informal sector, adopted by the Fifteenth International Conference of Labour Statisticians." Geneva: International Labour Organization, Bureau of Statistics.
<www.ilo.org/public/english/bureau/stat/download/res/infsec.pdf>
- Kerr, Clark, Frederick H. Harbison, John T. Dunlop, and Charles A. Myers (1960) "Industrialism and Industrial Man," *International Labour Review* 82: 236-50.

- Murillo, Maria Victoria (2001) *Labor Unions, Partisan Coalitions and Market Reforms in Latin America*. New York: Cambridge University Press.
- Peattie, Lisa (1987) "An Idea in Good Currency and How it Grew: the Informal Sector," *World Development* 15.7: 851-60.
- Portes, Alejandro and Kelly Hoffman (2003) "Latin American Class Structures: Their Composition and Change During the Neoliberal Era," *Latin American Politics and Society* 38.1: 41-82.
- Roever, Sally C. (2005) "Negotiating Formality: Informal Sector, Market, and State in Peru." PhD Diss., University of California, Berkeley.
- Tardanico, Richard (1997) "From Crisis to Restructuring: Latin American Transformations and Urban Employment in World Perspective" in Richard Tardanico and Rafael Menjívar Larín, eds. *Global Restructuring, Employment, and Social Inequality in Urban Latin America*. Boulder: Lynne Reiner, pp. 1-46.
- Tokman, Victor (2007) "Informalidad, inseguridad y cohesión social en América Latina," *Revista Internacional de Trabajo* 126.1-2: 93-120.