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OFICINA INTERNACIONAL DEL TRABAJO  
Equipo de Trabajo Decente y Oficina de Países de la OIT  
para el Cono Sur de América Latina

# Comments on International Integration, Informality and Job Quality (Session 3)

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Latin American and Caribbean Labor Markets and the Global  
Economy

ICITE Regional Conference

Santiago, 14-15 June 2011

# Main content of the presentations

International trade >> job quality (I)

International trade >> informality (II)

Informality >> international trade (II)

Policies & institutions >> informality (II, III)

# Schematic results

- The results on the impact of trade on informality / job quality depend on:
  - Econometric models and data
  - Which segment of informality is being analyzed
  - Differences between country situations
- No clear cut overall tendency
- In any case, few indications that international trade will automatically solve your labour market problems and create decent work

# Back to square 1?

- Central role of policies and institutions
- Lower cost of formality, enforcing regulations, increasing benefits of formality (de Laiglesia)
- Recent experience of several Latin American countries in reducing informality (Brazil, Uruguay, Argentina, Paraguay)
- Exceptionally successful against “opportunistic informality”, more structural forms may be more difficult to tackle

# Future research

- Better data allows better quantitative research (convergence toward ILO definition that captures both employment in informal economic units and informal employment in formal enterprises?)
- However, better results likely on very specific time-bound experiences rather than big overall picture
- If institutions matter, how can they be incorporated into research (number of labour inspectors per 1000 workers? Indicators on quality of institutions?)
- Alternatively, more qualitative approaches (commodity chains, Varieties of Capitalism, etc.) may also help



**THANK YOU !**

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