

# Room for Manoeuvre: Rethinking the Intersections Between Migration and the Informal Economy in Post-Industrial Economies

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## ABSTRACT

**Dominant scholarly and policy discourse implicitly connect growth in immigration to growth in the informal economy and negative socio-economic outcomes in post-industrial societies. In this introduction, we highlight some of the broader questions and implications raised by the multidisciplinary work of our contributors that challenge this immigration-informality hypothesis. We argue that existing studies of the informal economy in post-industrial societies underscore the multiscale economic, social, and political facets and dimensions that shape the intersection between migration and the spread of informal economic practices in the global north. However, this body of work does not adequately connect the ways in which these processes influence immigrants' economic and labour market integration. The contributions to this special issue focus on these dimensions seeking to identify how they are constructed and the opportunities, challenges, and possibilities they present for migrant workers and migrant-receiving societies. Collectively, the contributions challenge dominant narratives surrounding the relationship between migration and the informal economy and contribute to theorise them as co-constituted at multiscale relational processes. Copyright © 2017 John Wiley & Sons, Ltd.**

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## INTRODUCTION

This special issue explores the intersections of migration and the informal economy so as to reconsider the relationship between immigration and socio-economic outcomes in migrant-receiving societies. It is a collaborative project of specialists from different subject areas, regions, and disciplines across the social sciences including geographers, sociologists, economists, political scientists, and scholars of public affairs. The articles emerge from a conference held at the University of California, Davis in October 2013. The conference brought together emerging and established scholars engaged at the intersections of migration, work, and the informal economy. Each of these experts was asked to speak from their fields of specialisation about the implications and possibilities engendered by these relations for both migrants and receiving societies. The ensuing dialogue served as a collective exploration of the informal economy and workers engaged within it; the social, economic, and political outcomes and processes this labour supply confront in receiving societies; as well as the strategies and pathways utilised by migrants to achieve socio-economic integration across micro, macro, and meso levels.

Scholarship surrounding migration and the informal economy has pointed to the ways in which a global shift in the nature of work, characterised by an employer preference for flexible and cheap labour, and growth in the size and patterns of mobility of labour have coincided with the expansion of the informal economy across migrant-receiving societies (i.e., Piore, 1979; Light, 2006; Bohn & Owens, 2012; Kim, 2015). These co-occurring processes have led

analysts to conclude that growth in both “legal” and “illegal” immigration induces growth in the informal economy. Many researchers have continued to implicitly accept this hypothesis connecting immigration to growth in economic informality and negative socio-economic outcomes for migrant-receiving societies. The immigration-informality-social deterioration connection has become particularly salient in policy deliberations across the globe, resulting in the development of complex social, economic, and political processes that are dramatically (re)shaping opportunities afforded to migrants in receiving societies.

In this introduction, we draw on the insightful contributions in this volume to explore the alleged connection between immigration, growth in the informal economy, and reduced socio-economic outcomes for migrant-receiving societies. In doing so, we conceptualise the informal economy in its most holistic sense and place employment arrangements at the centre of its definition. Following Visser (2016b), we use the International Labour Office’s definition of the informal economy, which includes “all remunerative work, both self-employment and wage employment, that is not recognized, regulated, or protected by existing legal or regulatory frameworks and non-remunerative work undertaken in an income producing enterprise” (International Labour Office, 2002, p. 12). The informal economy also encompasses various types of labour, capital, and production operations that operate within the formal economy but are not formally registered or reported, do not comply with tax statutes, and/or do not adhere to formal regulations such as wage compensation or workplace safety. In this sense, the informal economy also includes employment arrangements that occur in formal enterprises but are only partially regulated (i.e., selectively comply with formal regulations) such as contingent employment and other alternative work arrangements sometimes labelled “semi-formal jobs” (Slavnic, 2010; Visser, 2010; 2016a). Analytically, this definition separates the informal economy from the illicit economy—that is, those criminal activities undertaken for remuneration (i.e., smuggling and human and drug trafficking). While informal activities engender employment arrangements that are by definition “illegal,” for they operate outside of, or selectively avoid applying formal

laws and regulations, they are not necessarily illicit in nature. In sum, the informal economy is conceived of as a complex set of diverse work arrangements and activities associated with various levels of economic and work security as well as varying degrees of state regulation.

Drawing on the articles of this special issue, we argue that the particular manifestations of the intersection between migration and the informal economy are contingent on historically and spatially determined economic, political, and social institutional structures. This historical and spatial determination, shapes the facets and effects of informalisation, which in turn help mould immigrants’ mode of economic incorporation in post-industrial societies. So whereas two of the contributions (Fry & Visser, 2017) focus on the influence of national and local state regulations and policies surrounding industrial relations and immigrant regularisation, other contributors focus on other factors, such as migrants and employers’ agency in shaping the dynamics and effects of migration-informality interactions in specific localities. Scott (2017) articulates how the use of informal employment practices by employers in low-wage sectors of the labour market contributes to the embedding of migrants in informal employment, but this process is driven by demand-side factors that are shaped by capital interests in the context of the specific developmental ethos of the nation state. Lowe and Iskander (2016) identify and analyse informal strategies by workers and employers in the construction industry that depart from institutionally prescribed and sanctioned mechanisms. They show how these informal practices help promote occupational mobility for migrants within the informal economy, while countering the dominant perception of the relationship between migrant workers and employers as one of exploitation and marginalisation. Guarnizo (2017) considers further how the relationship between employer and worker influence the experience and facets of informality in the context of the work arrangement. Simpson (2017) points to the ways in which relationships between power and spatial production confronting migrants in the labour market are embedded within and react to broader social processes and conditions by examining informal housing strategies utilised by migrants. The piece shows how these strategies can potentially mitigate housing challenges and,

in turn, provide opportunities to migrants in the labour market. Together, the articles illuminate the multifaceted contemporary social, political, and economic dimensions of informalisation, and their impact on migrant workers' mode of incorporation.

We begin by using the notion of informalisation to set in relief the contemporary informal economy in advanced capitalist societies and its intersections with global migration. This line of work positions the informal economy within the context of post-Fordist regulation and an associated neoliberal political ideology that has become synonymous with deregulation and policy devolution. In this view, systems of governance from the national to the local level are converging towards a market centred approach in which policymaking and governing are moulded by the fundamental principles of neoliberal market deregulation and a stark reduction of the traditional social safety net (Peck, 1996; Zimmerman *et al.*, 2006; McCann & Ward, 2010). We then use the study of the contemporary informal economy to rethink the relationship between migration and informality in capitalist societies of the global north. Rather than viewing migration as a mechanism for socio-economic deterioration (i.e., growing informality), we argue that the processes of neoliberal economic restructuring, which have redefined post-industrial labour markets over the last 40 years, have resulted in the decreasing regulatory role of the nation state in the market economy particularly in relation to the flow of capital and trade. However, at the same time, the state has played an increasing role in regulating labour's spatial mobility (i.e., migrant labour) through the context of citizenship laws. Such a deregulatory/regulatory fragmentation generates spaces that afford migrants room for manoeuvre to adapt at the margins and influence their labour market incorporation. In this sense, room for manoeuvre can take many forms and directions. One example as Visser (2016a) explores is the rescaling of policymaking that has been generated through policy activity by subnational levels of government with the intent to influence—positively or negatively—rights and opportunities afforded to migrants. Another example, as illustrated by Lowe and Iskander (2016) are attempts by migrant workers to create informal skill training opportunities in semi-formal jobs. We distinguish these in turn from room

for manoeuvre that come from social processes that lie outside the formal labour market and state.

Our goal is to use the understanding of the contemporary informal economy in advanced capitalist societies to broaden the study of the intersections between immigration and the informal economy in these contexts. We engage with the pieces offered by the contributors to raise a series of provocative issues for scholarship interested in these intersections.

### **THE INFORMAL ECONOMY AND INTERNATIONAL MIGRATION IN POST-INDUSTRIAL ECONOMIES**

The evolution of the study of the informal economy in the global north helps set in relief the contemporary contexts of this socio-economic phenomenon and its intersections with global migration flows in post-industrial economies. When the term was first introduced by Keith Hart in 1972, the informal economy was associated almost exclusively with subsistence activities of the marginalised urban poor in less developed economies. It was not until the early 1990s that the informal economy began to be recognised as an important dimension of post-industrial economies. Throughout the 1990s and 2000s, research began to identify how globalisation had led to the reorganisation of production and interchanging economic institutions including trade liberalisation, flexible specialisation, outsourcing, subcontracting, and the search for greater employment flexibility. These processes in turn gave rise to a heterogeneous set of relations in which enterprises in the formal economy were becoming increasingly engaged with firms and workers in the informal economy in relation to trade, the supply of raw materials, the exchange of technology, skills, and know-how, as well as manual labour (Portes & Sassen-Koob, 1987; Portes *et al.*, 1989). Labour market segmentation and dual labour market theory, which had been advanced throughout the 1970s, proved helpful in articulating how different segments of the labour market were exposed to processes of globalisation and how these processes resulted in the growing bifurcation of the labour market. Specifically, Piore (1979) argued that in an increasingly globalised economy, the secondary labour market had become the grounds wherein

risks were offset through the advent of labour-sweating employment practices including low-paying and flexible employment arrangements and the outsourcing of production, which sought to increase productivity and reduce transaction costs for firms in the formal economy. From this perspective, the secondary economy and labour market was becoming associated with the informal economy and was increasingly utilised as a source of labour and material subsidy by firms in the formal economy (Bailey & Waldinger, 1991; Sassen, 1999; Hussmanns, 2004).

Current scholarship favours the notion of “economic informality” to articulate how shifts in the labour-capital-state relationship have reshaped employment relations and transformed the contours of the informal economy in post-industrial countries. Tabak (2000, p. 5) sees informalization as “the unmaking of once formalized relations.” More recently, the term is generally evoked by scholars to refer to the ways in which neoliberal processes of economic restructuring have refashioned the Fordist era social contract and the Keynesian welfare state model. Economic informalisation is viewed as various processes through which the retraction of the nation state from labour market regulation, the search for greater employment flexibility, and the promotion of workfare as a *sine qua non* to access social benefits have resulted in the development of novel regulatory environments. Research suggests that these environments have led to declining employment standards, the breakdown of internal labour markets, increased labour segmentation, and growing socio-economic inequality (Burawoy, 1985; Peck, 2001; Beneria, 2003). However, it is important to stress that although increased informality and its associated growing levels of economic and social precarity are related, they are not synonymous. As informality increases in formal labour markets across the globe, workers have experienced growing levels of economic and social precarity, which has been fundamentally fuelled by processes of state deregulation that have contributed to a growing power of capital over labour.

At the turn of the 21st century, Sassen suggested that economic informalisation would continue to manifest itself in post-industrial economies through the “greater casualization of the employment relation” (2002, p. 10)—particularly the downgrading of pay and employment

conditions in the labour market. Since then, a substantial and multidisciplinary body of research has charted the increasing levels of economic informalisation across the global north by documenting the growth of casualised, unregulated, nonstandard, and contingent employment arrangements particularly in low-wage and low-skilled sectors of the labour market (see, for example, Standing, 1999; Standing, 2002; Beneria, 2003; DeFilippis *et al.*, 2009; Kalleberg, 2011; Cordero-Guzman, 2015; Visser & Meléndez, 2015). Theodore (2007) further theorised that economic informalisation was a self-perpetuating process and served as a type of *in situ* restructuring that successfully “deconstructs and reconstructs employment relationships, offering new opportunities for enterprises to achieve competitiveness through labour sweating and other cost-containment strategies” (p. 254). Studies have substantiated this notion, excavating how employer efforts to download risks inherent in a volatile globalised economy and offload responsibilities once associated with the standard employment relationship have generated a multitude of precarious employment arrangements that have thrived under policies of deunionisation and deregulation in the United States and other European nations (notably Denmark, Italy, Spain, and Sweden) (Biggs, 2005; Peck, 2006; European Trade Union Federation, 2007; Peck & Theodore, 2007, 2012).

In this context, scholarship argues that increasing levels of economic informality have led to the creation of a formality/informality continuum across the labour market, which has resulted in the embedment of the informal economy in sectors once strongly associated with formal employment and secure working conditions. Thus, in the context of post-industrial economies of the global north, the informal economy tends to be conceptualised, not as mutually exclusive from or as a subcomponent to the formal economy but rather as part and parcel of a single economy organised along a formality-informality continuum that is characterised by labour complementarity and segmentation (Marcelli *et al.*, 1999; Visser, 2010, 2016a; Slavnic, 2010). This body of work further suggests that the encroachment of the informal economy within once formalised sectors of the labour market has produced bifurcated and globalised labour markets

where capital has gained increased power over labour.

At the same time, the growth of bifurcated labour markets has also been influenced by a complex set of pervasive socio-economic transformations born out of globalisation including increased cross border flows of production, trade, finance, and people. Over the last 40 years, post-industrial economies in the global north have increasingly demanded highly skilled jobs and individuals to occupy management positions and other specialised positions that require specific professional, scientific, and technical skills alongside lower paying informal jobs and individuals to occupy these positions (Herod & Wright, 2002; Held, 2007; Sassen, 2002, 2007; Castles, 2010). This dual demand for both skilled and low-wage workers is global and facilitated by increased inequality between nations and regions. Increasing inequality has pushed individuals from their countries of origin to migrate in search of better economic opportunities abroad, and the growing concentration of wealth, power, and a high-paid/high-status multinational workforce in the global north has pulled migrants in search of the economic and labour opportunities (Sassen, 2002; Held, 2007; Stiglitz, 2013; Castles et al., 2014; Lakner & Milanovic, 2015). The globalisation of labour demand and supply has also coincided with a shortage of indigenous labour to fill low-end jobs and has resulted in a turn towards recruiting migrant labour for low-end informal jobs as a way to meet demand for employer flexibility under growing cost competition (McDowell Batnizki, & Dyer, 2008; Peck & Theodore, 2012; Scott, 2017). As a result, across post-industrial societies in the global north, there is now a mass presence of migrant workers at the bottom of the labour market in occupations and sectors including agriculture, construction, domestic work, food production, and low-end service and sales jobs, wherein employment is informal and workers are afforded limited worker protections benefits or rights (Sunderhaus, 2007; Visser & Meléndez, 2015; Cordero-Guzman, 2015).

Research suggests that a global migrant labour supply has helped reconfigure the political, cultural, and social features that drive economic development due to the vulnerability of this labour supply, their restricted claims to citizenship rights, and access to state social welfare

programs. At the heart of this reconfiguration is a reality that migrant workers and their employers often hold mutual interests in escaping state regulations. Unlike domestic labour supplies, migrant workers are often willing to compromise on restrictions on working hours, wages, or safety regulations for reasons that can include citizenship status, economic gain, or in an effort to improve labour market competitiveness and employability, which can enhance employer flexibility and promote further informalisation (Melendez *et al.*, 2015). Studies also suggest that the persistence of migrant workers in the informal economy diminishes the bargaining power of domestic labour supplies and may push “native” born workers into informal work themselves (Borjas, 2006; Bohn, 2010). This is concerning given that research finds workers who are engaged in informal employment experience extremely limited economic mobility and reduced levels of overall well-being (Visser, 2016a). Furthermore, research posits that the persistence of migrant workers in informal work limits economic and cultural assimilation—particularly when mobility from informal to formal work is limited—which may lead to their economic and social disempowerment by promoting cleavages between domestic and migrant workers, which can reduce domestic push back against capital interests (Castles & Kosack, 1972; Albert, 1993).

Our contributors show, however, that increased informalisation and lower socio-economic outcomes do not emerge solely from official deregulation or the growth of a migrant workforce—particularly the increasing proportion of undocumented immigrants. Rather, the legal conditions of economic informality and immigration coningle with social realities and the everyday lived experience of migrants in post-industrial economies of the global north. In this sense, we argue that the participation of migrant workers in the informal economy cannot be understood through an analysis of a singular sector or condition. Instead, as Kudva (2009) suggests, the experience of informality must be understood and approached as an “everyday” and “episodic” reality that takes places in specific localities. Individual relationships to formal market and state institutions vary, and the ways in and the extent to which migrant workers participate and access these institutions generate formal

and informal processes that simultaneously shape and react to other factors influencing migrant participation in the informal economy (Roy, 2005; Kudva, 2009; Visser et al., 2016).

Indeed, existing studies have described the ways in which the social, economic, and political dynamics that surround migrants in receiving societies have generated new spaces where national citizenship status is now used as a means of state control, a strategy for employer exploitation, and a catalyst of labour market segmentation (Munck, 2004; Goldring & Landolt, 2011; Bauder, 2015). As such, we suggest that the migration-informal economy intersection cannot be defined simply as participation in a particular employment situation. Rather, it must be conceived of as everyday lived relationships between power and spatial production present in the labour conditions experienced by migrants alongside the enforcement and nature of citizenship laws and the social reproduction of labour.

Given this, we argue that contemporary intersections between the informal economy and international migration are “pervasive and variegated” across and within national contexts. This is why we propose utilising a process-based approach to understanding the intersections that occur between migration and informal economy so that informalisation—wherever it occurs—is the object of analysis. In this sense, different facets and elements—social, political, and economic—come to the fore in different contexts and at different times, and it is often difficult to say where the “informal” processes begin and the “formal” processes end. This difficulty creates a complex continuum that is itself influenced by and influences migrant economic incorporation.

At the same time, the intersections that occur between migration and the informal economy are variegated—and this is what we would like to stress. Visser’s contribution provides an exploration of the ways in which increased implementation of migrant labour market regularisations by subnational governments in the United States have refashioned the scale at which immigration policy is now constructed and experienced. Visser shows, crucially, how the inability of the United States’ federal government to enforce immigration law has led to the devolution of migrant regularisation so that subnational level governments are now at the forefront of shaping and regulating immigration laws. Local contexts

where these policies are restrictive or negative, Visser argues, offer a powerful form of social regulation that can induce migrant participation in the informal economy and increase the vulnerability of migrant workers to exploitation and marginalisation within formal sectors of the labour market as well (Visser, 2016b).

Fry (2017) also illustrates the variegated realities surrounding the intersections that occur between immigration and the informal economy, by exploring the “re-formalization” of the Norwegian agricultural industry during the early 2000s. Fry shows that despite universal global pressures and processes, Norway did not follow the projected and prescribed course of “low-road development” that occurred in this sector across other nation states in the early 2000s. Rather, policy efforts led by the national government were effective in establishing wage floors and placing legal restrictions on property scales and hiring practices that helped hinder the development of large scale and hyper-industrialised production. Together, these two contributions underscore how political processes, unique to specific contexts, influence the intersections of migration and the informal economy in the global north. Thus, whereas the research record has focused on the identification of the convergence and divergence in the intersections across national contexts, these contributions point to a need to consider the path-shaping and path-altering outcomes that are evident within and across national contexts as well (Peck & Theodore, 2012).

At the same time, much of the research record that has examined the intersections that occur between migration and the informal economy has generally considered the question in the context of irregular migration. In most migrant-receiving countries, irregular migration and the informal economy are inextricably linked as irregular migrants are generally excluded from the formal labour market and often pushed into informalised sectors of the economy. However, these studies have generally failed to take into account the demand-side factors that influence migrant participation in the informal economy, instead approaching from a perspective that the participation of irregular migrants in the labour market undercuts native workers’ competitiveness and promotes downward pressures in the labour market that lead to poor socio-economic

outcomes (Martin, 2011). Scott's contribution highlights that there is a need to decouple the connection made between irregular migration and the informal economy. Through a case study of the food industry in the United Kingdom (a sector associated with high levels of low-wage "legal" immigration), Scott identifies six targets of informalisation that are occurring in the microgeography of the employment arrangement: job security, workplace intensification, worker expendability, worker subordination, employment intermediation, and workplace illegality. Scott makes the observation that low wage legal migration to the global north provides a type of "spatial fix" (Harvey, 2001) that fuels labour market segmentation processes associated with declining socio-economic outcomes in migrant-receiving societies. However, Scott argues that the targets of informality influencing this process are shaped in large part on how capital interests are manifested and the extent to which the development ethos or approach of the nation state privileges capital at the expense of workers.

Finally, research on the intersections of migration and the informal economy in post-industrial economies continues to paint an understanding of migrant workers engaged in the informal economy as an extremely vulnerable labour supply (Munck, 2004; Goldring & Landolt, 2011; Bauder, 2015; Visser *et al.*, 2016). Yet existing research has failed to effectively map and excavate spaces beyond immigration status that influence the power relationship between migrant workers and employers. The spatial production of migrant subjectivities is dynamic and multidimensional—migrants are subject to the state, the market, and civil society. Thus, for migrant workers engaged in the informal economy, exploitation and marginalisation are not only compounded by political and market forces but also mitigated or exacerbated by social processes and relationships that occur at the micro and meso level through that boundaries of citizenship and extant economic rights are often constructed and enforced (Solé & Parella, 2003; Repič, 2010; Torres *et al.*, 2013; Visser *et al.*, 2016).

A large and emerging body of literature has described how micro-level social processes and relationships between migrant workers and employers, as well as migrant workers and civil society institutions and actors, offer avenues through

which migrants effectively lay claim to and assert extant economic, political, and social rights—particularly migrants whose economic citizenship is constructed in the context of informal employment in the labour market (see, for example, Ness, 2005; Theodore & Martin, 2007; Martin, 2010; Visser, 2014, 2006b; Melendez *et al.*, 2016). In this sense, migrants are viewed as exercising a type of "insurgent citizenship" from below that mitigates the forces of economic exploitation and marginalisation faced by this labour supply. As the contributions of Simpson, Guarnizo, and that of Lowe and Iskander show migrants engaged in the informal economy are far from passive actors in the process of labour market integration. Rather the economic outcomes and opportunities they experience are dramatically shaped by the agency migrant workers exercise through informal skill reproduction strategies in the workplace as well as the everyday livelihood strategies they evoke to address market failures.

In other words, the articles in this special issue suggest that the existing research record has been unable to fully articulate the complexity of the intersections that exist between migration and the informal economy and how these intersections influence migrant economic incorporation or socioeconomic outcomes in receiving societies. This is not just because of the pervasive discourse that continues to make an implicit connection between migration-growth in the informal economy—and social deterioration in post-industrial economies of the global north. It is also because several elements of these intersections—including their complexity, subtlety, and diversity—have eluded studies that have tended to focus on the direct causal relationship between immigration and the informal economy in post-industrial societies.

### **Room for Manoeuvre: Targets, Facets, and Dimensions of the Intersections Between Migration and the Informal Economy**

Across post-industrial societies, there remains an implicit connection between immigration, growth in the informal economy, and lower levels of socio-economic development. Expanding this scope of exploration can help identify new processes and dimensions of informalisation, their impact on the labour market incorporation of migrant workers, how they are influenced by

migrant responses to these processes, and how these processes may counter or support the dominant hypothesis that continues to link migration to the informal economy and social deterioration. As our contributors show the intersections that occur between migration and the informal economy, at certain times and in certain places, occur as a type of “room for manoeuvre”—interstitial spaces wherein sociopolitical actors and migrants themselves shape the normative exclusion experienced by migrant workers in receiving societies. These interstitial spaces, we suggest, demand a more nuanced view of the relationship between migration, informality, and socio-economic deterioration in the context of policy and scholarly debates.

### **MAKING ROOM FOR MANOEUVRE: THE STATE, MARKET, AND SOCIAL PROCESSES**

Vanishing political power and the changing role of the nation state across the global north remains at the heart of analyses that have supported the informality-immigration-socio-economic deterioration hypothesis. The globalisation of labour and increased volatility associated with globalised political and economic processes over the last 40 years has challenged the capacity of the nation state to regulate the market. The neoliberal model appears to inherently demand states attract and retain capital by offering favourable business regulations that can entice investments—which often come at the expense of the interests of labour (Keefer, 2015).

Yet over the last 20 years, the varieties of capitalism literature has demonstrated that despite uniformity within the neoliberal model, various modes of capitalism have come to emerge and exist in the global north (i.e., Albert, 1993; Amable, 2003). These studies have produced various typologies that differentiate between types and levels of institutional regulation of the market economy and argue that different national capitalisms react in specific ways to global forces, which result in contingencies and heterogeneities in the ways in which the neoliberal model unfolds. Extended to the understanding of the intersections that occur between migration and the informal economy, this would suggest that although there is an internal heterogeneity in relation to how these intersections occur, such intersections are ultimately shaped by the

particular configuration of market relations and political institutions that occur at the local level. Therefore facets that shape the contours of these intersections in migrant-receiving societies depend on the complex institutional frameworks in which market relations are embedded, how these are interwoven into larger societal structures, and how these frameworks are experienced by individuals at the micro level. This view prompts us to rethink the intersections that occur between migration and the informal economy as kinds of room for manoeuvre wherein state, market, and social institutions, actors, and processes across multiple scales shape levels of economic informalisation and economic incorporation experienced by migrant workers in receiving societies.

First, and perhaps most obvious, is the room for manoeuvre created in the context of state regulation of the market and immigration. Nation states create room for manoeuvre in how they choose to regulate economic market activity. Labour market segmentation theory has underscored the prominent role that the state has in shaping the “rules of the game” in market economies, how these regulations can influence the labour market integration of migrants, and the contributions of the nation state to the production–reproduction dialects that influence everyday economic realities experienced by migrant workers (Massey, 1984; Peck, 1996; Herod & Wright, 2002; Visser, 2014). The contributions by Fry (2017) and Visser (2017) bear witness to these processes and highlight political ingenuities as well as emerging political geographies that govern and shape the relationship between migration and the informal economy in post-industrial countries in the global north.

Fry (2017) illustrates a counterfactual to the narrative of the western capitalist agricultural industry as a globalised sector conducive to informalisation. Through an analysis of the Norwegian agricultural industry, Fry (2017) identifies how Norway was successful in reformalising this industry by negotiating global trends of deregulation that drove the normalisation of informal employment in this sector in other western societies at the beginning of the 21st century. Fry argues that at the core of this path-altering course were four key industrial and social processes wherein the state had a powerful role. These included the long-lasting



social-democratic traditions of institutional regulation of capital in Norway, the strategic political alliance between the Norwegian rural peasantry and urban working class based on the so-called “class compromise” of the 1930s, a strong social and political commitment to the socioeconomic inclusion of immigrant populations in broader Norwegian society, and the adoption and development of a neo-corporatist framework that allowed state agencies and national unions to galvanise support for the enforcement of regulations and improved working conditions in low-skilled manual industries that attract global labour.

Visser’s contribution illuminates how broader processes of policy devolution and the inability of many nation states in the global north to effectively respond to irregular migration has led to the concrete expression and construction of new political geographies of migrant regularisation that offer states room for manoeuvre in the context of immigration policy. In the article, Visser identifies the development of “Migrant Labor Market Regularizations” defined as “discrete areas of policymaking at the sub-national level that affect aspects of migrant workers’ status in labour markets” directly and indirectly through efforts that seek to contribute, contest, or counter national government level immigration policy directives in the global north. Through an analysis of these policy domains in the United States, Visser shows how these emerging spheres of political activity are constructed in a broader global macrocontext characterised by a lethargic economic recovery, the growing criminalization of immigration, and an intensifying negative social discourse surrounding immigration—particularly in rural areas. These new political geographies suggest a type of creative destruction of the scalar hierarchy of conventional political geographies that regulate immigration offering states new avenues to influence the labour market integration of migrant workers. Such room for manoeuvre, Visser posits, has resulted in the generation of a politically constituted, mediated, and tangentially contested scalar hierarchy wherein local governments—rather than the national governments—are now at the forefront of shaping migrant economic incorporation in the United States and other nation states in the global north.

Various dimensions of capital–labour relations also provide room for manoeuvre in shaping the intersections that occur between migration and the informal economy. Such relations—at both a macro and micro level—influence processes of social stratification, modes of labour market regulation, and overall economic growth in societies. Scott’s piece shows that growing informalisation of the labour market in migrant-receiving societies across the global north is not necessarily due to the direct presence of a growing supply of exploitable migrant labour. Rather, labour market downgrading has also been fuelled by the ways in which capital interests have manifested themselves in the context of the neoliberal model and the specific targets of informalisation through which these interests are manifested in practice. In low-wage labour markets of the United Kingdom, Scott argues, the target of informalisation has been the employment arrangement, and growth in the informal economy has been driven by a strong economic rationale of capital to optimise the use of informal employment practices by “tapping” a global supply of low-wage migrant workers in the absence of “native-born” workers able to fill such jobs. Scott suggests that such processes have effectively resulted in the incremental shift of power away from labour to the interests of capital more broadly. The study highlights how this particular room for manoeuvre presents a danger for organised capital in the global north to have an opportunity to preside over the informalisation of employment relations within the context of a neoliberal governance model; particularly given a willingness of migrant workers to adapt to and/or their inability to push back against these downgrading forces.

Yet migrants also exercise agency to generate room for manoeuvre themselves. Recent research has shown how migrants employed in the informal economy in the global north have sought to develop informal strategies of labour market and workplace regulation that create work structures and routines that effectively support skill development, knowledge sharing, and the promotion of quality work standards in sectors of the labour market where informalisation is high (Martin, 2011; Visser & Cordero-Guzman, 2015; Melendez *et al.*, 2015, 2016). As Lowe and Iskander (2016) and Guarnizo (2017) show in their contributions, such strategies have the

capacity to shape pathways migrant workers utilise to experience economic mobility and challenge workplace standards that counter the dominant perspective that informalisation serves as a mechanism for employers to exert greater control and discipline over migrant workers. Such strategies can, at times, tether migrant workers and employers together in ways that create a form of interdependency and internal mechanisms that have the potential to improve worker rights and mobility (for both migrant and “native” born workers) in the informal economy.

Legal conditions of immigration and the processes of labour market incorporation experienced by immigrant workers also comingling with questions around the impact of everyday strategies, formalised organisations, and informal networks available to immigrant-working populations in receiving societies. These moments of comingling offer room for manoeuvre for migrants to respond to the broader economic, political, and social forces, which influence their socio-economic incorporation. Simpson’s (2017) contribution considers the ways in which immigrant workers in Manitoba, Canada, leverage multifamily housing arrangements as a strategy to mitigate challenges and failures they encounter in the labour and housing markets. Simpson argues that informal housing strategies utilised by migrants may serve as economic strategies that help produce new socio-spatial arrangements capable of reducing the costs of integration and may offer a means to support the participation of immigrant communities in formalised labour market institutions and processes. Simpson’s study highlights the need to better understand how informal livelihood strategies utilised by migrant workers intersect with legal conditions of migration and labour market incorporation and how these may offer room for manoeuvre for immigrant workers to counter market and political forces that shape their experience of integration into host societies.

Approaching the study of the intersections that occur between immigration and the informal economy as room for manoeuvre has something to offer policy and scholarly discourses. Considering these intersections as room for manoeuvre allows for a better understanding of what informalisation looks like in practice and what the nuances of these processes mean for the multitude of political, economic, and social

actors and institutions that shape migrant economic incorporation in the global north. Such a perspective can better identify facets of economic informalisation that contribute to the permeability of the border between the formal and the informal economy as well as in relation to other political and social processes. Articulating these moments and spaces of permeability can provide strategic insight into key areas for policy intervention that may influence patterns of migrant economic integration and promote policies that may help to improve the socio-economic outcomes of migrant-receiving societies. However, the primary challenge for scholars in effectively informing policy debates will be to clearly articulate what such room for manoeuvre provides (either as they occur or through retrospective examination) while simultaneously identifying the ways in which local contexts influence the contours, dimensions, and possibilities of these interstitial spaces within and across migrant-receiving societies. After all, it is one thing to have some room for manoeuvre, but quite another, to grasp how much room, under what circumstances, and through exactly what processes these rooms for manoeuvre are realised to allow immigrant workers to overcome exclusion, exploitation, and marginalisation in host societies.

Our vision for this special issue was to create a venue that began to reconsider the implicit connection that has been made between growth in immigration, growth in the informal economy, and socio-economic degradation across the global north. Each of the contributors considers this relationship and conceptualises the informal economy and informalisation in slightly different ways, reflecting the different contexts they study as well as their different disciplinary approaches. All of the contributors, however, point to the complexities and contingencies of the immigration-informality-social deterioration connection, and we argue that this reality demands more than a cause-and-effect approach in analysis. It is our hope that this volume contributes to the continued development of literature on immigration, the informal economy, economic integration, and economic development, as well to political inquiries and discussions surrounding the socio-economic challenges that face migrant-receiving societies in the global north so as to promote the

development of more effective public discourse and policy.

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