# Migrant workers' routes to the informal economy during the economic crisis: structural constraints and subjective motivations

#### Francesca Alice Vianello

Department of Philosophy, Sociology, Education and Applied Psychology, University of Padua

francescaalice.vianello@unipd.it

#### Devi Sacchetto<sup>1</sup>

Department of Philosophy, Sociology, Education and Applied Psychology, University of Padua

devi.sacchetto@unipd.it

Drawing on a longitudinal research we conducted over five years (2010-2015) with 40 documented migrant workers who lost their job at the beginning of the recession, this article analyses their routes to the informal economy in Northern Italy. Moving away from the expulsion and exit dichotomous theories on participation in underground work, we argue that it is necessary to take into consideration both the structural constraints pushing migrants to enter the informal economy and their subjective motivations, both economic and non-economic. Through two waves of in-depth interviews with Moroccan and Romanian workers, we investigate the migrants' working paths in order to understand different conditions and motivations driving them to work off the books. First, we highlight that migrants who work irregularly are not only the unemployed, but also poor casual workers and deprived self-employed. Moreover, we sustain that working irregularly is not only a poverty escape strategy to deal with the casualization, worsening and reduction of formal working opportunities, but it is also a way to meet identity and social needs.

**Keywords:** informal employment, economic crisis, migrant workers, Italy, agency

<sup>&</sup>lt;sup>1</sup> Dr Francesca Alice Vianello, Professor Devi Sacchetto. Contact address: Department of Philosophy, Sociology, Education and Applied Psychology, University of Padua, Via M. Cesarotti 10/12, 35123 Padova, Italy.

## Introduction

The process of informalisation takes different shapes according to the subjects that are involved and the space and time where it takes place, namely the socio-economic context and the historical phase. In this article, we analyse the participation of documented migrant workers in the underground economy in Northern Italy during the current economic crisis, which began in 2008. In particular, our aim is the analysis of migrants' agency and motivations for their participation in the underground economy within the structural constraints engendered by the economic crisis started in 2008 (e.g, unemployment, casualization and informalization). According to Williams (2010), the participation in the informal economy has been explained by two theoretical perspectives. On the one hand, we have the structuralist theory that reads this social phenomena as the result of the expulsion of workers from the formal labour market (Portes, Castells, Benton 1989; Sassen 1998; Slavnic 2010). On the other hand, the neoliberal thesis argues that it is the result of individual choice, focusing mainly on skilled workers, artisans or entrepreneurs (Maloney 2004; Perry et al. 2007). These two theoretical approaches are very important, as they stress two general perspectives - the first one based on the structure of economy, and the second one on the agency of workers. However, we sustain that it is necessary to transcend this misleading dichotomy. In this article we integrate the two perspectives and take into account that the reasons driving workers toward the underground economy are more nuanced and textured. Moreover, we sustain that the analysis of subjectivity and agency should not be restricted to skilled workers, but also widened to workers who are considered vulnerable and are pushed into the underground economy by external forces, such as migrant workers.

The article is based on a sample of 40 migrant workers currently living in Italy, who lost their job between 2008 and 2010. It begins with a critical literature review, paying particular attention to two issues: migrants' participation in the informal economy in South-

ern Europe and the motivations driving individuals to accept undocumented work. The article then proceeds with the presentation of the methodology and of the social context where the research took place. A discussion of findings follows in two separate sections, the first of which provides a description of the most common types of workers involved in the informal economy. Here we show that, in addition to the unemployed, another two categories of migrants work informally: the casual workers and the selfemployed. We argue that in Italy, as well as in other countries, this multiplication of figures involved in the underground economy is mainly due to labour market reforms promoting more flexible forms of employment. Indeed, the economic downturn has only exacerbated the ongoing process of casualization and informalization, making the boundaries between formal and informal work and between the different categories of workers even more porous and blurred (Benaría 2009; Biles 2009; Williams 2009a). Finally, the latter section moves onto the analysis of the specific issue of subjective motivations. Here we show that, although migrant workers have been driven into the underground economy by an external factor, as the economic crisis, informal work is not only a survival strategy but also a way to meet their identity and social needs: to re-affirm or subvert gender norms, to look for emancipation from wage labour and to keep social relations based on reciprocity

# Migrant workers, informal economy and motivations

In the Sixties and Seventies of the 20th century the informal economy was mainly studied in relation to non-industrialized societies and, in particular, to the process of urbanization (Hart 1973; Weeks 1975; Lubell 1978). Modernization theory considered the informal economy to be a characteristic of pre-industrial societies, destined to disappear with industrial development. Later many scholars have criticized this approach and have argued that informalization was not a characteristic of pre-industrialized societies since it did

not disappear with industrialization, but rather coexisted with it and also involved industrialised societies (Portes, Sassen-Koob 1987; Portes, Castells, Benton 1989). According to these scholars, the economic crisis of the mid-seventies and the subsequent economic transformations, such as globalization, fostered the process of informalization. This process was sustained by undocumented migrant workers in particular, as they could not work in the formal economy (Sassen 1998; Samers 2004; Arango, Baldwin-Edwards 2014).

Italy is one of the most cited cases by the aforementioned group of scholars because, as with other Southern European countries, it is historically characterized by a large informal sector (Mingione 1995). Massive immigration into Italy began in the second half of the 1980s, when the reorganization of production with industrial decentralization in small companies were already taking place. Most of these irregular migrants stepped into a pre-existing informal economy, where they easily found a job in sectors characterized by high labour intensity and low levels of technological innovation and productivity, such as agriculture, construction, household services, hospitality, the sex industry, menial urban services, but also in the Northern industrial manufacturing districts (Reyneri 1998; Quassoli 1999; Ambrosini 2013). Employers preferred to recruit migrant people as they were more blakmailable and cheaper than native workers. Moreover, the accessibility to a vulnerable labour force - because of its social and legal conditions - has fostered the continuation and expansion of the informal economy in Italy.

This explanation concerning the involvement of migrant people in undeclared work follows the so-called theses of "marginalization" and "expulsion". Vulnerable and marginalized workers – such as the unemployed, women, young people, ethnic minorities and people living in rural areas – are expelled from the formal economy and kept within the informal economy by external forces (Portes, Castells, Benton 1989; Sassen 1998; Ahmad 2008; Slavnic 2010).

Conversely, "the reinforcement" or "exit" theses argues that people who are more involved in undeclared work are not marginalized, but the ones with more resources, namely native male employed people (Pahl 1987; Williams, Windebank 1998; Maloney 2004; Perry et al. 2007). Their participation in the informal economy is the result of their choice and it is based both on an economic and non-economic rationale (e.g. meeting a personal goal). According to these latter theories, social inequalities are reinforced and reproduced in the informal economy, where privileged people benefit more from undeclared work than vulnerable people.

This dichotomous perspective has been criticized by several studies that have shown a more nuanced picture of undeclared work. Particularly significant is the Eurobarometer survey, conducted in the 27 member states of the European Union. It highlighted, first of all, that at EU level the explanation for marginalization is valid only for some social groups, namely younger people and those living in peripheral rural areas, whereas for migrants the available data is ambiguous since there is not a clear association between them and undeclared work. Secondly, it underlined that the reinforcement theory is especially confirmed for males, the educated, the employed and more generally for workers living in affluent regions (Williams, Horodic 2015). Undeclared work can indeed be considered a strategy aimed at increasing workers' income in order to escape from poverty or to attain better life conditions (Leonard 2000; Pfau-Effinger 2009). Moreover, an accurate analysis sensitive to regional variations concerning the participation of the unemployed in undeclared work showed that there are strong differences, in particular between Southern and Northern areas of Europe. In the first case the marginalization perspective is valid, since the low level of benefits pushes the unemployed to informal sectors in order to secure an income. On the contrary, in the second case the reinforcement approach is confirmed, since the employed conduct the majority of undeclared work and earn more per hour than the unemployed (Willimas, Nadin 2014).

Another bulk of studies focuses on the informal workers' perspective, highlighting in particular the motivations pushing them to enter the informal economy. These studies underline that expulsion and exit reasons, on the one side, and economic and non-economic reasons, on the other side, are mixed up (Kloosterman et. al 1998; Cross 2000; Snyder 2004; Aidis et al. 2007; Whitson 2007; Ambrosini 2009; Williams 2009b; Ramirez, Hondagneu-Sotelo 2009; Schmoll, Semi 2013; Adom 2014). This research is compelling because it underlines the subjects' agency without denying the structural forces that limit and shape the individual's action. Snyder's (2004) study on self-employed men and women working in the informal economy in the East Village neighbourhood of New York City points out that, besides external forces, it is also crucial to take internal forces into consideration, like the identity issue, that drive people to work informally. Sure enough, many of her respondents use the informal economy as a means of transforming their work identity and as a "strategy of being" aimed at setting their career on a new path (Snyder 2004). Williams proceeds on this way, emphasizing that individuals setting up business ventures and conducting it off the books do so due to a complex mix of pull/opportunity and push/necessity reasons that can change over the course of time (Williams 2009b). For instance, an informal business can be established to fulfil a passion or a hobby, but it can turn into the main source of income because of redundancy. Finally, some studies which focus on small migrant entrepreneurs like street vendors and gardeners highlight that these informal economic activities, though inconvenient, can be understood as the entrepreneurial strategy of some migrants. These informal jobs offer low-skilled and low-educated migrants the upward social mobility opportunities otherwise not available in the formal economy. Ramirez and Hondagneu-Sotelo (2009), in particular, show that entrepreneurship and subjugation coexist under conditions of informality. Indeed, in order for Mexican immigrant gardeners to be small entrepreneurs they have to accept hard and physical work and the social subordination of service work.

However, the majority of these studies analyse self-employed professionals or small entrepreneurs, while the agency of vulnerable and subordinated workers is left in the shadows. Indeed, the only known research taking the most disadvantaged workers into consideration is that of Whitson (2007). This study focuses on informal workers of both middle and lower class, working in different settings, positions and sectors: in their own homes, in the homes of others, in the street, in formal workplaces, as waged workers, real or bogus self-employed entrepreneurs. The main result of this study is that "while Argentines view informal work as a place of exploitation by employers and subjugation by the state, in some circumstances it can also be understood as a space of resistance, as workers attempt, through informal work, to create spaces hidden from control, to redefine the norms and rules which govern this space, and to transform conditions of existence established by other actors" (Whitson 2007, p. 2916).

In the wake of this latest research our article seeks to provide a greater insight into the routes and motivations driving migrant workers toward the informal economy. Drawing on a longitudinal research with 40 migrant workers, the varieties of immaterial and material reasons motivating people to work informally are analysed. More specifically, we point out that the unemployed or underemployed enter the informal economy because, in a social context characterized by economic crisis, it is the only way to satisfy both their economic and non-economic needs, from food purchase to gender identity.

# Methodology and socio-economic context

This article is based on a longitudinal study aimed at analysing the impact of the recession on migrant people living in the Italian region of Veneto (North-East Italy). Contrary to what might have been expected following the buffer theory (Böhning 1972; 1974) in Italy, as well as in other Western countries, a large-scale return of

immigrants to their own country has not occurred (Awad 2009; Koser 2009; Martin 2009; Papademetriou et al. 2010). Rather, a drop in the numbers entering has been recorded, even though inflows have remained positive<sup>2</sup>.

The economic downturn has pushed migrants into even worse and more precarious positions, characterized by lower wages and shorter contracts. Indeed, non-standard employment has increased among migrants in particular, while it has decreased among natives (Istat 2014a). Migrant workers are the first to be fired, since they are over-represented in the secondary labour market where the majority of temporary jobs are concentrated. That being said, they also find a new job very fast, given that they cannot afford to be unemployed for a long period of time (Reyneri 2010). As a matter of fact, one of the main structural phenomena among migrants is the coexistence of a higher unemployment rate with a higher employment rate (DGIPI 2014).

As regards the impact of the economic crisis on the informal economy, and more specifically on irregular work, the quantitative data depicts a contradictory picture. According to the Italian National Institute of Statistics (Istat 2015a), in 2013 there were 3,513 million non regular working units<sup>3</sup>, most of whom were employees

<sup>&</sup>lt;sup>2</sup> According to the Italian Statistical Office (Istat), 4.9 million foreign citizens were living in Italy in 2014, 8,1 per cent of the total population. Of these, 3,9 are non-EU citizens. The most numerous nationalities are as follows: Romanians (1 131 839), Moroccans (524 775), Albanians (502 546), Chinese (320, 794) and Ukrainians (233 726). In 2013 the Italian migration balance was still positive, despite reaching its lowest level since 2007. Inflows had decreased – 307 000 people in 2013, 12 per cent less than in 2012 – and outflows had increased – 126 000 people in 2013, which is 19 percent more than the previous year (Istat 2014b). In particular, the decline of immigration concerns labour-based inflows, while the number of new inflows for family, study and asylum reasons is increasing. The rise of outflows is primarily due to the growing number of Italian citizens emigrating, which in 2013 amounted to 82 000 people, the highest number in the last ten years (Istat 2014).

<sup>&</sup>lt;sup>3</sup> The working unit is calculated by transforming the working positions covered by each individual in the reference period into full-time standards units.

(2,438 million). The highest rates of irregularity<sup>4</sup> concern the care and domestic services (45 per cent), agriculture (17,6 per cent), trade, transport and hospitality (15,6 per cent) and construction (15,4 per cent). The economic downturn has hit regular work more so than irregular work: between 2011 and 2013 the absolute number of irregular working units decreased by 0,8 per cent (from 3 513 000 to 3 487 000) while regular work units dropped by 4,3 per cent (from 20 649 000 to 19 759 000). However, because of this disproportion, the rate of irregularity has grown, rising from 14.5 per cent in 2011 to 15 per cent in 2013 for all working units. The rate increased markedly in construction, transport, hospitality, agriculture and trade, while it diminished in the care and domestic services thanks to the 2012 mass regularization of migrants.

Field research was carried out in 2010/11<sup>5</sup> and 2014/15 with Moroccan and Romanian migrants who were living in two representative manufacturing areas of the Veneto Region, Camposampiero (near Padua) and Montebelluna (near Treviso)<sup>6</sup>. These two national groups were selected because they represent the nationalities of the majority of migrants in the Region<sup>7</sup>. However, they are subjected to two different legal statuses: EU citizens and Third Country National (TCN) citizens.

<sup>&</sup>lt;sup>4</sup> The incidence of non-regular working units out of the total number of working units.

<sup>&</sup>lt;sup>5</sup> For an analysis of the first wave of interview results see: Sacchetto, Vianello 2015.

<sup>&</sup>lt;sup>6</sup> Given that the research was sponsored and funded by the Regional Agency 'Veneto Lavoro' we could access the data of all regional Job Centres. This data is not available to other public and private institutions due to privacy regulations. Thus, the research group could contact the unemployed Moroccans and Romanians by telephone, who in 2010 were registered as unemployed at the Job Centres of Camposampiero and Montebelluna. Between December 2010 and April 2011, we carried out 435 telephone questionnaires and 170 indepth interviews with those migrants who, after answering the telephone questionnaire, agreed to further face-to-face discussions. In 2014/15 we contacted the same people again, asking them if they were available to give another interview. We succeeded in collecting 176 telephone interviews and 40 in-depth interviews.

 $<sup>^7\,</sup>$  In Veneto in 2013 there are 116 056 Romanian citizens and 53 102 Moroccan citizens (Istat 2014b).

In particular, this article concentrates on the analysis of the working trajectories of 40 migrant people who were registered as unemployed between 2008 and 2010. We interviewed them for the first time between 2010 and 2011, and a second time between 2014 and 2015. The sample is composed of 21 women (9 Moroccans and 12 Romanians) and 19 men (12 Moroccans and 7 Romanians) (table 1 in appendix).

We selected Camposampiero and Montebelluna because they are manufacturing areas geared towards the export market, with an extensive use of manual labour, and are characterized by the presence of small and medium-sized enterprises (SMEs) (Piore, Sabel 1987; Blim 1990; Harrison 1994). In Veneto the informal economy played an important role in its economic development, one which started in the Sixties and experienced a boom in the Nineties (Anastasia, Rullani 1982). From the 1990s these industrial districts began to recruit, either regularly or irregularly, labour migrants originating from a large number of countries with very different migratory histories, employment experiences and general living conditions (Andall 2007). Nowadays in Veneto the percentage of non-regular working units is 8.4 per cent, that is a very low rate in comparison with Southern regions where the percentage is around the 20 per cent (Istat 2015b).

# A typology of informal workers

Before the crisis, Moroccan and Romanian migrants were employed principally in the manufacturing sector, in the food industry, in the logistics sector and in care, domestic and cleaning services. At the time of the second interview in 2014/15: 16 migrants were unemployed, although most of them had worked for a while during these years; 20 were employed, but 13 of whom had a short-term or part-time contract; and 4 were self-employed. 13 interviewees out of 40 were involved in some kind of irregular work (table 1, appendix), but almost all of those interviewed had worked in the informal sector for a period in these last five years.

The biggest group of irregular workers is quite conventional and it is composed of unemployed people, both men and women, who, before the economic crisis, were employed in the manufacturing industry. All of them work informally in the service sector, some in household services (baby-sitter, care worker, cleaner), others in hospitality and restaurant services (pizza maker, waiter, et cetera).

The case of Adil, a 36-year old single Moroccan man, is quite typical. Since he lost his job as a carpenter in 2010 he has been working informally. First he moved to another region where he worked with one of his uncles in the construction sector, and then with a cousin as a truck driver. Thereafter, he returned to Veneto and started working as pizza maker, thanks the skills he developed some years before when he moonlighted in a take away pizzeria. These skills became his lifeline during the economic crisis, when the construction and manufacturing sectors were strongly hit. Nowadays he works every weekend in a pizza restaurant. He earns  $60 \in 0$  off the books every night, and sometimes he works by day in various factories.

Throughout the working paths of migrants interviewed, almost all alternated regular work with unemployment, during which they often work irregularly. In other words, a portion of our interviewees are in a "grey" area, consisting of a mix of short-term regular jobs and irregular jobs. This is the second type of migrant worker involved in the informal economy. They are underemployed or casual workers, who supplement their formal income with a second informal job. The cases of Iulian and Basima are particularly emblematic of this strategy. Their working paths show us how the economic crisis pushed them toward an escalating instability where informal jobs are even more decisive for survival, in particular during the frequent periods of unemployment between one job and another.

Iulian is a Romanian man in his forties, married, with two children. His wife is employed with an open-ended contract in a big factory of household electrical appliances, while he is employed as casual temporary worker.

"Since the time I arrived, six years ago, I have never had an open-ended contract. I have always had precarious jobs and I am tired of this situation. First I worked in agriculture, then in a factory. I found that work through a recruitment agency. I worked there for 3 years, but with short-term contracts. It is difficult, because I have a lot of gaps. Fortunately, I am still in contact with the employer who hired me in agriculture. He has helped me a lot, because through his employing me he has helped me obtain documents. In these years I also met his friends, and sometimes they call me to do some odd jobs. Let's say "under the table". I did a lot of jobs: carpenter, painter, mason." (Iulian, Romanian, 2011)

"In these years [2011–2015] I had only short term contracts, through temporary labour agencies. In particular in the last period I had only very short contracts: one week, a few days, even one day. Before contracts were longer: from one to four months. Sometimes I still do some odd jobs, but very few." (Iulian, Romanian, 2015)

Basima is a divorced Moroccan woman in her forties who has been working as a chef in different restaurants since 2000. In 2010 she lost her job due to the closure of a restaurant, and for one year she did irregular domestic work. Thereafter, she could only find a part-time job in another restaurant, so she had to continue to supplement her income with irregular work. In particular, in the more recent years, she worked informally as a private chef for different Italian families that cannot afford to celebrate birthdays and holidays at restaurants anymore. As she recounts, she is forced to moonlight, but at the same time she is happy, because she does not want to work full time in a restaurant anymore.

"There are people with money that... I am very good at cooking fish. So they call me and I cook for them, when they organize a dinner, for birthdays. I buy fish, I cook it and they pay me off the books. Thus, I can earn some money, and I am happy because working full time in a restaurant is very exhausting." (Basima, Moroccan, 2015)

For these precarious migrants with a work career characterized by a high discontinuity, the integration of their formal income with undeclared work has been the stratagem to escape from poverty, since in Italy the benefits for the unemployed, and more in general for low income workers, are insufficient to cover their basic needs.

Finally, the third type of migrant worker involved in the informal economy is that of the self-employed who needs to complete his/her formal income with a second informal job. Among our interviewees, we found some people who had became self-employed after having lost their job because of the economic downturn. Some of them were not involved in any kind of informal economic activity because they earned enough through their main job, but others needed to work off the books.

For Aurora – a 37 year-old woman with 2 children – the VAT number is only a formal cover to accumulate some contributions towards her social security and benefit from the public health services<sup>8</sup>. Since she arrived in Italy in 2005 she has always worked informally, as a waitress, a baby-sitter and a cleaner. Nowadays, even if she has regularized her tax position by joining her partner's company, she continues to work informally as a cleaner for some families from the village since she needs to complete her formal income.

"In order to safeguard ourselves in old age we have decided to put the company to both our names, so I pay some taxes but in the future I will have a pension, otherwise I will not have anything. We are not married and if I don't have a formal job I have no right to healthcare. For the company I carry out the administrative duties, but I also work as a babysitter off the books." (Aurora, Romanian, 2015)

This case shows another facet of irregular work: poor selfemployed who open a VAT number to formalize their economic

Because of the restrictions contained in the EU directive on free movement European citizens who work informally are not entitled to access to National Health Service (Vianello 2012)

activity and tax position, to benefit from the welfare state or obtain a permission to stay, but need to work informally in order to supplement their income.

In conclusion, these cases confirm that our respondents were pushed toward the informal sector by scarce opportunities in the formal labour market produced by the economic crisis. However, we see also that undeclared work is not only an option for the traditionally long-term unemployed, more typical of the 1970s, but also for other categories of workers that characterize the changing of employment patterns in Western societies of late capitalism, such as the precarious (Standing 2011) and the self-employed. In particular, the working poor conditions are growing in many industrialized countries. In EU countries the risk of becoming working poor remains lower than in the US, especially for those born in these countries, but the phenomenon has also begun to emerge in this area since the end of the nineties (Andre $\beta$ , Lohmann, 2008).

## Subjective motivations

As we have seen in the previous section, all of our respondents act in a field that is highly constrained by the economic crisis. In the formal and informal labour market only a limited number of casual jobs is available, and the competition among redundant workers is intense. However, according to our interviewees, the reasons driving them toward the informal economy are complex and nuanced.

For a group of unemployed respondents, working informally is actually the only choice, and it is difficult to see the other reasons pushing them toward this sector. Working without a contract is the only way to earn an income and avoid poverty for themselves and their family. Quite typical is the case of Karima – a 58 year-old divorced woman – who, after 15 years working in the textile industry, lost her job in 2010 because her factory had declared bankruptcy. From then on she could not find any job in the formal labour market, thus she entered into the informal economy. At the time of

her first interview she was working 40 hours a week as a cleaning lady for different households, but the amount of her working hours had diminished over the years, given that the economic crisis also affected Italian families. In 2015 she was working few hours a week, earning approximately 200-300€ a month. However, she can rely on her mother's pension of 500€ a month.

Analysing the biographies of our respondents we noted that many of them are not forced to work informally because of financial needs, since they can rely on their partners' income. However, they still want to work, and are also willing to accept informal jobs. The reasons why they habitually carry out irregular work are several. Ahmed, a 34 year-old married man with two children, wants to work in order to feel helpful and also to meet gender conventions and expectations. Meanwhile, Adelina's reason for working informally as care giver is that she wants to be independent from her partner.

"We live thanks to my wife's wages and the money I earn doing some odd jobs. I work both for Italians and Moroccans. I do everything, for instance moving furniture, painting... Sometimes I go to charities, but I don't go there to eat. I ask them help to find casual jobs, so I feel happy. I prefer digging up shit graves, than asking for charity. If I work, I feel happy. I don't like going there with an empty bag and returning home with a heavy bag. Sometimes my sister helps me, but I feel very bad, because a man loses his personality when he asks for help. He loses status." (Ahmed, Morocco, 2014)

"I don't like to demand money from my husband. For this reason I always try to work. I started to work when I was 18, and in my country I had always worked. My mother taught me that I always have to be independent, I don't have to depend on my husband's money. Because if I want to buy something for myself I have to be aware that I can do it with my money. Moreover, I don't like to demand money from him, because he asks me hundreds of questions. I feel uncomfortable, because if I ask for money it means that I need it." (Adelina, Romanian, 2011)

Ahmed and Adelina underline that the economic need is not the only factor pushing redundant migrants to work informally. The gender dimension is crucial in understanding the reasons why men and women take part in the informal economy (Marx, Ferree 1976; Strier et al. 2014). Ahmed is willing to do any kind of work, in order to "feel happy", useful and to defend his honour. The work ethic linked with gender norms shapes his working practices and the meanings he attributes to paid work. Indeed, from his point of view a man must be economically active and independent, otherwise his manhood is undermined and he loses his social status. On the other side, for Adelina, the income derived from informal work is a crucial tool whereby to reduce her husband's economic power and, thus, redefine unequal gender relations. Thus, although Adelina could rely on her husband economic support, she wants to work in order to feel free and affirm her autonomy.

Moreover, Riad, a 47 year-old man, decided to work informally in order to avoid wage labour. Like the informal workers interviewed by Whitson in Argentina (Whitson 2007), Riad's decision is an act of resistance against the control of the employer. He decided to opt out of the formal labour market where he could only find bad and exploitative jobs in order to create a space where he feels free and where he is the only person who benefits from the value created by his work.

"Interviewer: Can you tell me how your life has changed from the period when you were employed in the warehouse to your job nowadays as a street vendor?

Informant: First of all I feel freer. I have more free time, during which I can do a lot of things. And there are not people behind me who command me. I work on my own. I can go to work later, I can decide to take a day off. It depends on my schedule. I can do what I want. I can work the whole day without breaks, but the profit is mine and not for the company. It is for me, for my children. For instance: the company can earn 20-30€ for an hour of my work, but in the end I earn always 7€ per hour." (Riad, Moroccan, 2011)

Finally, among our respondents, there are also migrants who work informally despite having a formal income. Often their motivations are not only driven by an economic interest, but by reasons associated with redistribution and sociality (Williams, Windebank 2001). Martin, for instance, has an open-ended contract in a factory, but he is accustomed to moonlighting so as to have some extra money, but also to do his acquaintances a favour.

"I was used to working informally as a plumber. Moreover, I have a little van and I do house movings. But I am not on internet. I do it if clients demand it. I have little time to do these extra jobs. However, if the neighbour tells me: "Martin I need your help because I have to move something". Well, I help him. He pays me for the petrol and he gives me some money. Before I did it for money, but that's over. The longer you work, the more you earn and the more you spend" (Martin, Romanian 2015).

Paid informal work acquires different meanings according to the type of social relations within which such exchange is conducted. In this case, we can see that when it is embedded in close social relations, such as neighbourly relations, the exchange can be dominated by a community-building rationale rather than a profit-motivation. Thus, informally performing a job for an acquaintance or a neighbour can be a means of maintaining or forging deeper social relations.

### Conclusions

Research has seldom investigated the informal economy from the migrants' point of view. The only known studies are on small informal entrepreneurs that interpret migrants' entrance into the underground economy as a reaction to their exclusion from privileged positions in the formal labour market and as a strategy of upward mobility (Kloosterman et al. 1998, Ramirez, Hondagneu-Sotelo 2009). On the contrary, the perspective of the (informally) employed migrant is left in the shadow.

In order to fill this gap, in this article we have explored migrants' working paths over a five year period (2010–2015) with the aim being to understand the different conditions and motivations pushing them to work irregularly. We argue that, in order to reach a full comprehension of workers' participation in the informal economy, it is necessary to take into consideration both the structural constraints and their subjective motivations (economic and non-economic).

Our 40 Moroccan and Romanian interviewees are neither small entrepreneurs nor artisans, but in the vast majority waged workers both in the formal and informal economy. During the economic crisis they have experienced a rupture in their careers, that, despite many difficulties, were on the way towards stabilization. After their lay-offs, the loss of their previous job and unemployment, they only found temporary jobs, characterized by an intersection between flexible and undocumented work. Indeed, analysing their life paths it is even more difficult to identify the boundaries between the status of the standard employed, unemployed and informal employed, since they are even more blurred. Migrants frequently change these different working statuses, sometimes even within the same day, confirming Williams' (2009) thesis that informal practices have permeated the formal labour market. Migrants interviewed perform informal work mainly in the service sectors: catering, trade, domestic and care work, maintenance activities (repairing household electrical appliances, painting houses, transporting furniture). On the contrary, none of them are involved in the ethnic economic niche.

The economic crisis has exacerbated long-lasting processes of flexibilisation and informalization of the labour market. Migrant workers have become even poorer and precarious, and informal work has became a crucial source of income. However, this analysis is not sufficient to fully comprehend the reasons driving migrants toward the informal economy. In examining migrant careers we highlight that informal work is not only a poverty escape strata-

gem, since they pursue this activity in order to continue their economic independence and, also, defend their gender identity. Further migrant workers are also engaged in the underground economy to escape from waged labour or to preserve neighbourhood social relations.

Migrant workers' decisions to undertake informal activities emphasise the limit of the vulnerability approach and underline the importance of considering their agency. Besides the economic needs, there are other non-economic and social motivations pushing migrants to work off the books, such as the will to meet gender norms, the desire for self-determination and of emancipation from unequal power relations (Whitson 2007), and the interest to keep social relations based on reciprocity (Williams, Windebank 2001). Meanwhile, unlike Snyder (2004), the professional identity issue is not crucial among our interviewees, probably because they are generic workers accustomed to regularly changing their job.

In conclusion, we argue that it is necessary to include workers' agency in the analysis of the informal economy. Moreover, we maintain that the motivations driving workers to enter the underground sector are not only economic, but also shaped by the gender, class and communitarian social relations in which individuals are embedded.

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## **Appendix**

**Table 1** Respondents by nationality and working position in 2010/11 and 2014/15

Alias	Nationality	Working position 2010/2011	Working position 2014/15
Nico	Romanian	job on call	unemployed
Maria	Romanian	unemployed	job on call
Iulian	Romanian	job on call and informal work	job on call and informal work
Elena	Romanian	unemployed	unemployed
Ionel	Romanian	fixed-term contract	open-ended contract
Violeta	Romanian	fixed-term contract	self-employed
Alex	Romanian	open-ended contract	open-ended contract
Mariana	Romanian	unemployed and informal work	unemployed and informal work
Riad	Moroccan	self-employed	self-employed and informal work
Driss	Moroccan	fixed-term contract	open-ended contract
Naima	Moroccan	unemployed and informal work	unemployed and informal work
Tarik	Moroccan	fixed-term contract	open-ended contract
Youssef	Moroccan	job on call	job on call

Lhoussaine Moroccan		unemployed	fixed-term contract
Ahmed	Moroccan	unemployed and informal work	unemployed and informal work
Aicha	Moroccan	unemployed and informal work	part-time and informal work
Adil	Moroccan	short term contract	unemployed and informal work
Brahim	Moroccan	unemployed	fixed-term contract
Abbas	Moroccan	unemployed	fixed-term contract
Dana	Romanian	unemployed	unemployed
Ana	Romanian	unemployed	fixed-term contract
Aurora	Romanian	unemployed and informal work	self-employed and informal work
Anemona	Romanian	fixed-term contract	open-ended contract
Dora	Romanian	unemployed	unemployed
Damian	Romanian	fixed-term contract	open-ended contract
Marcela	Romanian	unemoployed and informal work unemployed and informal work	
Afif	Moroccan	part-time contract	unemployed
Monica	Romanian	unemployed	self-employed
Noureddine Moroccan		fixed-term contract	fixed-term contract
Nabil	Moroccan	fixed-term contract	fixed-term contract
Adelina	Romanian	unemployed and informal work	unemployed and informal work
Hajar	Moroccan	unemployed	unemployed
Kenza	Moroccan	job on call	job in call
Majida	Moroccan	unemployed	unemployed
Meriam	Moroccan	unemployed	unemployed
Karima	Moroccan	unemployed and informal work	unemployed and informal work
Moumen	Moroccan	unemployed	unemployed
Basima	Moroccan	unemployed and informal work	fixed-term and part-time contract and informal work
Martin	Romanian	unemployed and informal work	open-ended contract and informal work
Petru	Romanian	fixed-term contract	fixed-term contract

Source: Authors Research

#### Streszczenie

Opierając się na badaniach panelowych, prowadzonych w latach 2010–2015 z 40 przebywającymi legalnie we Włoszech migrantami, którzy utracili pracę na początku recesji, artykuł analizuje ścieżki, które doprowadziły ich do gospodarki nieformalnej. Odchodząc od dychotomicznych teorii wykluczenia i rozstania dotyczących podejmowania pracy nierejestrowanej, dowodzimy, że konieczne jest wzięcie pod uwagę zarówno ograniczeń strukturalnych wpychających migrantów w stronę gospodarki nieformalnej, jak i ich subiektywnych motywacji o charakterze ekonomicznym oraz pozaekonomicznym. Analizując dwa zbiory wywiadów pogłębionych z pracownikami marokańskimi i rumuńskimi, badamy ścieżki pracy migrantów, aby zrozumieć różne warunki i motywacje podejmowania pracy w szarej strefie. Po pierwsze, podkreślamy, że imigranci, którzy pracują w tej strefie, to nie tylko bezrobotni, ale również pracownicy sezonowi i ubodzy samozatrudnieni. Ponadto, utrzymujemy, że praca nierejestrowana to nie tylko strategia ucieczki od ubóstwa wynikająca z uelastycznienia, pogorszenia i zmniejszenia możliwości pracy rejestrowanej, ale także sposób na zaspokojenie potrzeb tożsamościowych i społecznych.

Słowa kluczowe: zatrudnienie nieformalne, kryzys gospodarczy, pracujący migranci, Włochy, sprawstwo