

Labour mobility of Argentinean software and IT service workers: the search for autonomy and income stability.

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Labour mobility of Argentinean software and IT service workers: the search for autonomy and income stability

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Mobility, *landnahme* and sources of labour power

Transnationalization and digitization of SIS (Software & IT Services) production and delivery as a *landnahme* process towards the semi-periphery:

- conquest and enlargement of the worldwide SIS labour market
- connects workers with lower wages and more flexible and precarious conditions
- taps in globally scarce talents

This *landnahme* has several forms that occur at different times and places, but they coexist and are articulated. Eg. FDI, Global Delivery Centers, Platform work, etc.

SIS workers can take advantage of new resources enabled by a novel *landnahme*, when they move towards avant guard positions to achieve higher income and autonomy.

Partially overlapping waves of transnationalization

1. SIS companies follow their customers in the creation of Transnational Value Networks
2. Bodyshopping (HB-1 Visa in the US)
3. SIS companies fragment and reintegrate their production on a global scale (global delivery model, extended workbench, collaborative development model, etc.) → To what extent are the most complex activities and management relocated?
4. Latin American *unicorns* enter the global market
5. Platform work and the internet as a global labor market

Sources of power of workers

Structural, organizational, institutional and social power (Wright, Silver, Jena)

Spheres in which it is exercised: production, market, state and other forms of governance

From the point of view of workers in the semi-periphery of a transnationalized and digitized economy:

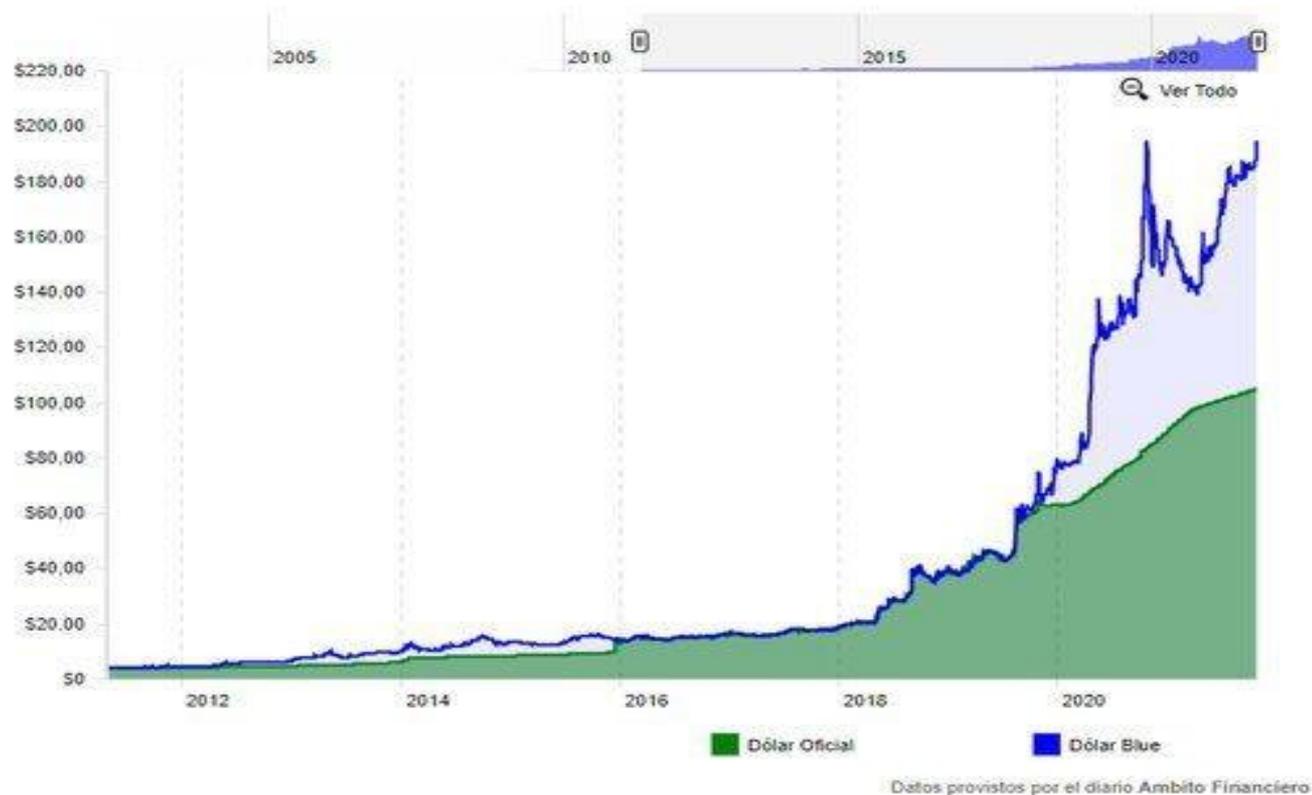
- High mobility between companies (large and small, national and foreign)
- Unionizing initiatives
- Cooperatives
- Online freelancing

Argentinean macroeconomics

- **High macroeconomic volatility:** permanent oscillations in economic programs, currency volatility, degree of openness of the national economy, etc.
- **Structural inflation:** permanent restrictions on the international balance of payments lead to cyclical devaluations that increase domestic prices and unbalance relative prices. Expectatives and oligopolistic structures reinforce these cycles.
- **Distorted exchange rate:** the official dollar is expensive and highly regulated, the “blue dollar” is more expensive but notably accessible in the black market.
- **High tax burden:** high personal income taxes; taxes on money exchange transactions; high VAT (21%).

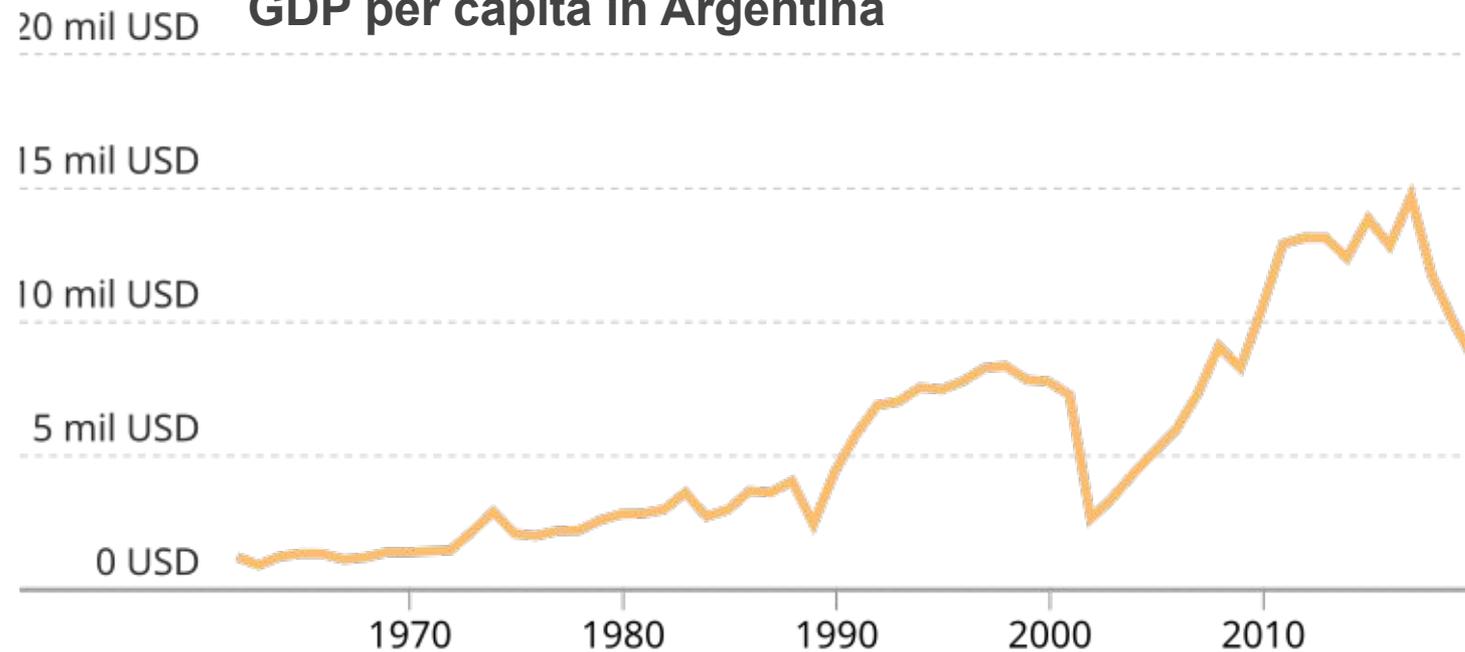
Thus, the macroeconomic context induces offshore online work and tax evasion.

The official and “blue” dollar exchange rates



Producto Interior Bruto per cápita en Argentina

GDP per capita in Argentina



Datos de datacatalog.worldbank.org obtenidos a través de Data Common

Recent developments in the Argentinean SIS

Between 2004 and 2017:

- SIS billing grew 343%.
- Exports grew 773%; the trade balance was positive.
- Registered employment grew by 300% (Rabosto and Zukerfeld, 2019).
- Jobs without a university degree requirement (Ibídem).

IT salaries are in 13th place, behind the mining, oil, banking, air and naval transport, diplomacy and pharmaceutical industries (Data Argentina, 2021). In IT there are marked differences between the salary extremes.

Median salary around USD 1,785 (official ER) (OPSSI, 2022). Argentine programmers and developers who work abroad can charge from USD 2,000 (blue ER) (El Cronista, 2021).

Argentine SIS unionism

Neo-corporatist labor relations system

4 national unions in the sector, only Asociación Gremial de Computación (AGC) with recognized union status (since 2018)

No Collective Bargaining Agreement (CCT) that regulates working conditions and salaries

Controversy over salary levels, increasing or decreasing?

Criticism of high rotation between companies as an individual strategy

Formation of cooperatives

Argentine Federation of Technology, Innovation and Knowledge Worker Cooperatives (FACTTIC) was created in 2012

Constituted by 23 cooperatives in 2022

Special attention to working conditions and careers of its workers

Principles linked to FLOSS (Free Libre Open Source Software)

FIT (Intercooperative Workflow) encompasses 48 technologies, allows to overcome problems of scale

Freelancing

Argentina in the 3rd position of countries where freelancers grew the most: +209%.
After Israel and the Dominican Republic (Deel, 2021).

Among the countries with the most salary withdrawals in cryptocurrency (Deel, 2021).

Preferred platforms are: Workana (born in Argentina) and Freelancer.

Payment by hours or by projects. Moonlighting or main activity.

Ideal of “autonomy”: advantages of working from home or as a digital nomad.

“Virtual brain drain” from local businesses.

Difficulties to regulate labor, tax and money exchange.

No academic papers on the subject, given its novelty.

Closing remarks

Platform and internet work at the SIS is an ambivalent phenomenon from the point of view of an IT worker in the semiperiphery:

- it reinforces the novel *landnahme* process
- allows SIS workers to take advantage of new resources to gain autonomy and recover purchase power
- opens spaces to rehearse emancipating practices and construct real utopias (SIS Cooperatives)

Closing remarks

Associated Phenomena:

- workers move between companies while threatened with relocation and closure of projects continues.
- after a rapid growth, the cooperative option slows down.
- online freelancing becomes more tempting, the more the official dollar and the “blue” dollar grow apart.
- local companies see freelance as a threat, there is discussion about the need for regulation.

Virtual brain drain?

thank you!

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