
FORMAL AND INFORMAL MARKETS AND PUBLIC POLICIES IN BRAZIL

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ABSTRACT

In this article, we conduct an analysis of the relationship between formal and informal markets in Brazil, and we verify in what ways the crisis of the working society has important impacts on the growth of the informal sector in this country. Subsequently we analyze the public policies which are directed towards the informal market people. We also describe our qualitative survey conducted in Brazil with several people who have gone through different work and income programs and who were part of the informal economy. We observed, through field research, that the work and income public policies fail to make their beneficiaries leave the informal sector - marked by poverty - to the formal economy - marked by citizenship rights.

KEY-WORDS: *Poverty, Informal Markets, Public Policies, citizenship rights.*

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1. INTRODUCTION

In this article, we briefly analyze the relationship between formal and informal markets in Brazil, and we verify in what ways the crisis of the working society has important impacts on the growth of the informal sector in this country. Subsequently, we analyze the public policies which are directed towards the informal market people. We describe our qualitative survey conducted in Brazil with several people who have gone through different work and income programs and who were part of the informal economy. Long interviews were conducted with participants of different genders (men and women) belonging to different generations. We observed, through field research, that the work and income public policies are not able to break the economic relationship established between formal and informal markets in Brazil. In other words, in spite of being important to the survival of the individuals and families affected, such policies fail to make their beneficiaries leave the informal sector - marked by poverty - to the formal economy - marked by citizenship rights. Rather, we agree that such policies work together to support the links between the formal and the informal in the Brazilian economy.

2. THE LINKS BETWEEN FORMAL AND INFORMAL MARKETS IN BRAZIL

Several intellectuals claimed that poverty in Brazil was linked to the informal work market (legally unregulated and without citizenship rights), and that this would be overcome by the development and growth of the formal work market. The latter has good wages and working conditions, and would allow the population to escape poverty. A great Brazilian author named Francisco de Oliveira, through the "dualist critique of reason", demystified the idea that Brazil would become a modern country with no social inequalities thanks to the advance of progress in backward areas of the country (Oliveira, 2003). He demonstrated the link in Brazil between the formal market (related to the modern and the progress) and the informal market (characterized by backwardness and poverty). For example, Brazil has large modern soft drinks factories, but also has many street vendors to distribute their products, which are sold in the streets of big cities. The same happens to modern factories of different products. They have several street vendors (informal market) to drain a significant part of their production. Moreover, there are many informal enterprises which are not legalized, do not pay taxes or worthy wages and sell products to large companies. Thus, they end up reinforcing the linking cycle between formal (market) and informal (market). Several policies have been made to strengthen the small informal enterprises and legalize them, although not always successfully. Also there are many public policies to face social issues and to battle current problems related to the informal work market, which also have several problems and limitations. Then, we will show how the employment contemporary crisis increases further the informal market in Brazil.

3. THE CRISIS OF EMPLOYMENT: THE GROWTH OF INFORMAL MARKET

Currently, we have the so-called crisis of the "working society", or in other terms, "job crisis", due to the fact that the number of jobs, in different countries of the world, is frequently lessening. The lack of decent and regulated work (socially and legally) is a modern problem in distinct, developed and underdeveloped, societies, which causes an increase in the informal work. The globalization of markets, with their volatile financial flows, and neoliberalism impose increasingly harsh realities for different countries, such as unemployment, underemployment and precarious informal work. In short, casualization of work is present in the periphery countries of the capitalist system, such as Brazil and Latin America in general, but it also occurs in the core countries of capitalism. (Oliveira, 2003).

It is known that the logic of capital is (and has always been) exclusionary. The "new" exclusion is characterized by an excessive "leftover" population which cannot (sometimes never) achieve formal work integration and make the precarious informal work their only source of survival (Antunes, 1999).

However, we note that there are different theoretical and methodological stances for the "crisis of work" or "crisis of the working society". For some, the capital no longer needs live work (mainly constituted by the worker), turning workforce unnecessary, making it disposable (Oliveira, 2003). For others, live work is interwoven with dead labor in the expanded reproduction of capital, and thus the growth of dead labor in contemporary capitalism, mainly machinery and equipment, would entail a huge unemployment, as well as the increase in informal work (Antunes, 1999).

Other analysts claim that new labor regulations are being formed, and often precariously, eroding the old Fordist social and legal regulation (which guaranteed citizenship and rights for workers) (Castel, 2000). For other authors, the work crisis is a result of misguided macroeconomic policies, of (lack of) economic growth, among others, which causes the appearance of few and precarious jobs, many of them, informal (Pochmann, 2001a).

The proposals for the current labor market crisis are also distinct. Gorz (1997) points out that contemporary work has always been marked by a very strong instrumental dimension (or reason), with few elements directed towards the real human needs. For him, in contemporary capitalism, there is the possibility of drastic reduction of the working day, so that everyone can work, in convenient jobs, leaving the informal market, which would also enable a reduction in the time devoted to the instrumental action proper of capitalist labor. Furthermore, there is the possibility of performing associative and community works, which are not integrally contaminated by an instrumental dimension.

According to Robert Castel (2000), work is still a key factor constitutive of identities and, thus, new (legal and social) work regulation is needed so that work citizenship is rescued. In this sense, the author highlights the dangers of broad policies directed to the distribution of income, which can generate a "dual" society, composed, on one hand, by people living exclusively from the (distribution of) income and working in precarious informal jobs and, on the other hand, by individuals who produce wealth and live from formal work. This could undermine the bonds of reciprocity and solidarity essential to the constitution of any society.

Some authors emphasize the importance of building more equitable macroeconomic policies, economic growth, agriculture development, civil construction, infrastructure strengthening, among others, in order to generate quality jobs and fight the informal market. (Pochmann, 2001b). There are also authors who advocate redistribution programs (income transfers) as a way to rescue the citizenship of those excluded from the formal labor market, tackling informal work relations. (Suplicy, 1988), (Sposati, 1997).

The idea of a universal basic income for all citizens of each country is also advocated as a way of combating exclusion (Van Parijs, 1996). Finally, there are authors who support the union of the unemployed in small collective enterprises, such as cooperatives and associations, as a way of tackling both unemployment and casualization of work as well as a way to make formal the undertakings which take place in the informal market. (Singer, 2000).

4. PUBLIC POLICIES RELATED TO WORK AND INCOME IN BRAZIL: THE ATTEMPT TO CONFRONT INFORMAL MARKET

4.1. HISTORY OF PUBLIC EMPLOYMENT POLICIES

Employment policies, according to the definition of the International Labor Organization (ILO), constitute a state intervention which is necessary to ensure greater equality of opportunities, either to regulate the process of adjustment between supply and demand in the labor market, or to improve the integration of disadvantaged groups. Such policies vary and may include from providing public or semi-public jobs and establishing employment agencies, to subsidizing self-employment, among others. In the core countries of capitalism, post-World War II, there were full employment policies, with a broad social inclusion of workers and little or virtually no informal work or unemployment. In Latin America, especially in Brazil, there was a policy of economic development and job creation, but that was insufficient to accomplish the social inclusion in the formal market of much of the population.

Essentially, after the 1970s, in developed countries and in periphery (Brazil and Latin American) countries, another set of public policy was implemented. Thus, several public policies directed to the work market were developed, that is, the so-called employment services, aimed to pay assistance benefits to the unemployed and related to the promotion of their productive insertion, in the formal market. That would occur by the offering of professional education courses and by the stimulation of self-employment through programs to support micro and small enterprises (Valle, 1998).

Hence, the public employment system consists of a set of coordinated activities to help the unemployed and those who are in the informal market, as the intermediation of workforce, professional training and financial assistance. In Brazil, over several decades, different manpower allocation policies, professional education and job creation have been developed, but the connection among them has always been problematic. In other words, the relationship among the different components of the public employment system, consisting of financial assistance and professional insertion (employment generation and income programs), has always been precarious in Brazil and Latin America, failing to assist large numbers of people from the informal market. (Pochmann, 1999).

In the 1990s, in Brazil, there are important changes in the public employment system, due to the regulation of different devices inserted in the 1988 Constitution. In 1990, the Worker Support Fund (FAT) is implemented at federal level, which shall allocate 60% of its resources for the Unemployment Insurance program, which should include unemployment insurance, professional qualification, employment intermediation and replacement of the worker in the formal labor market. Thus, there is an increasing number of people served by these programs, as well as efficiency improvement. Moreover, employment and income generation policies are accomplished in order to stimulate the supply of jobs in micro and small enterprises, cooperatives, and policies for the informal sector (Pochmann, 1999; Valle, 1998).

4.2. THE EMERGENCE OF POLICIES DIRECTED TO INFORMAL WORKERS

From the 1990s and especially from 2000, in Brazil and in Latin America, there has been a series of public policies for those who are outside the formal work market, such as self-employed and informal workers. In other words, social policies related to work have been reaching an audience which had been unprotected against state actions, composed by unemployed and people from the informal market.

Among the actions accomplished, we highlight two of them directed to the informal (market): micro-credit and solidarity economy programs. The first one consists of small subsidized credits to informal workers and to small informal enterprises, aiming to formalize them. These programs are aimed at increasing productivity and working capital and therefore at the survival of small informal enterprises, many of them, familiar. In addition, there are programs that aim to strengthen the solidarity economy. Historically, the Solidarity Economy has always been a form of unemployed or underemployed workers to devote efforts towards the accomplishment of a fair and collective production, in which everyone works and equally reaps the benefits of their production. These different forms of labor relations encompass associations, self-managed companies and also cooperativism (Singer, 2003). In cooperatives, there is the possibility of implementing a collective management, which involves the participation of all members in decisions of the cooperative venture, the collective property of the organization, as well as the egalitarian division of the profits (Singer, 2002).

From the last two decades, as we have seen, from municipal to federal levels, in Brazil, a series of public policies to generate employment and income is established, such as micro-credit, self-employment stimulus, and also, support for cooperatives, among others (Oliveira, 1998). The popular cooperatives are thus seen as an alternative to tackle unemployment and also as a form of grassroots autonomy, becoming a topic of extreme social relevance and important in Brazil and in the Latin American academic debate (Forni, 2004), (Basco and Laxalde, 2003).

In Brazil, cooperativism has become the subject of various public policies, and even universities, through the incubators of popular cooperatives. Thus, in the 1990s, through the Financier of Studies and Projects (FINEP), institution linked to the federal government, the National Program of Cooperatives' Incubators (PRONINC) was implemented, which now stimulates the formation of Technological Incubators of Popular Cooperatives (ITCP's) as an extension policy of the state universities. These incubators are responsible for assisting the marginalized sectors of society, from the formal market, to form popular cooperatives, and currently, there are 33 cooperatives' incubators working nationally (Guimarães, 2000), (Singer, 2000 and 2006).

In 2003, in Brazil, SENAES (National Secretary of Solidarity Economy) was established, under the Ministry of Labour and Employment (MTE), to catalog, promote and support a variety of experiences related to cooperative and solidarity economy. SENAES mapped all solidarity experiences in the country and works to strengthen existing solidarity production units, as well as to format new units connected to the Solidarity Economy. For this purpose, the secretary sends promotion officers throughout the country who follow historically excluded segments as women, *quilombolas* (remnants of black communities), workers from the informal market, unemployed, among others, aiming at forming self-sustaining and self-managed small businesses (Singer, 2006).

4.3. THE ORIGINS OF INCOME TRANSFER PROGRAMS: NEW POLICIES TO THE INFORMAL MARKET

The income transfer programs began effectively from the late 80s and early 90s in Latin America. These programs focus on individuals or poor or extremely poor families, with extremely low per capita income, and aim at fighting poverty (Stein, 2008).

Specifically in Brazil this policy began in 1991, when the government established income transfers to

families with children aged between 5 and 16, studying in state schools, introducing the notion of the family as the beneficiary of the programs and of the compulsory school attendance by children (Camargo, 1995). Later, in the mid-90s, income transfer policies were implemented in different cities, such as Santos, Ribeirão Preto, Brasília and Campinas, charactering this policy as part of the Brazilian Social Protection Public System (Yazbek and Silva, 2004).

Around 2001, in President Fernando Henrique Cardoso's term, federal programs created in 1996 were expanded, such as PETI (Program for the eradication of child labor), and other programs, such as *Bolsa Escola*, *Bolsa Alimentação*, *Bolsa Renda and Vale Gás* (School Assistance, Food Assistance, Income Assistance and Cooking Gas Voucher, respectively) among others, were created (Silva, 2002).

Finally, in 2003, the government of President Luiz Inacio Lula da Silva created the *Bolsa Família* (Family Assistance) program, with the proposed unification of the municipal, state and federal governments income programs, verifying annual increase of the budget destined for the income transfer programs. The *Bolsa Família* program has become the largest cash transfer and poverty fighting program in the country and is present in all Brazilian municipalities (Silva, 2008).

In other words, programs such as *Bolsa Escola*, *Bolsa Alimentação e Vale gás* were gathered, as they were often overlapping, causing loss of efficiency. The *Bolsa Família* program aimed to better focus on actions against poverty, by simplifying processes and also through a universal public policy, which assisted all the families that make up the target audience of the programs. The value transferred to the families increased, as well as the amount of resources devoted to programs of income transfer. Moreover, having the woman (mother) as a reference in the cash transfer was an innovation, since she is supposed to apply the value from income transfer programs with more prudence and accuracy². Otherwise, the beneficiaries should keep children and adolescents at school, follow the vaccination schedule for children from 0 to 6 years of age as well as the completion of pre and post-natal care for pregnant women³.

The budget and the number of people assisted by *Bolsa Família* have been constantly increasing. In 2003, R\$ 4.3 billion was invested, and 3.6 million families were served. In 2004, R\$ 5.3 billion were invested and 6.5 million families were served. In 2005, investments were R\$ 6.5 billion, which benefited about 8 million families, reaching 100% of Brazilian municipalities. In 2006, investments were R\$ 8.3 billion, and the program was universalized to its target audience. In 2007 nearly 11 million people were assisted, and in 2008, the budget was about R\$ 10.5 billion (Silva, 2008). Finally, in 2015, about R\$ 27 billion was allocated to the program, and more than 13 million families were assisted.

One of the objectives of the *Bolsa Família* program is to tackle hunger and improve nutrition and living conditions of the families involved, besides combating poverty and social inequalities. The program has been combined with others, such as literacy, health and education. The *Bolsa Família* also aims to connect with programs of work and income, professional education, micro-credit and production units related to the solidarity economy, such as cooperatives.⁴ Thus, it seeks to empower families, that is, to enable their insertion in the formal labor market, so that they can leave informal work relations. In the conclusions, we will show the forms of articulation between the *Bolsa Família* program and other programs of work and income (solidarity economy) and the (im)possibilities of an inclusive public policy which allows regular insertion in the labor market.

² <http://www.mds.gov.br/bolsafamilia>, accessed on 30/06/2016

³ <http://www.mds.gov.br/bolsafamilia>, accessed on 30/06/2016.

⁴ <http://www.mds.gov.br/bolsafamilia>, accessed on 30/06/2016.

5. SURVEY METHODOLOGY: THE STUDY OF SOCIAL TRAJECTORIES, ITS IMPORTANCE FOR THE ANALYSIS OF SOCIAL PROGRAMS AND FOR THE STUDY OF INFORMAL AND FORMAL MARKETS

In order to understand the formal vs. informal relations in the labor market and especially in public policies, we have opted for the methodological analysis of social trajectories, implemented on a field survey completed recently. The ideas outlined below have, as a starting point, a survey performed with 33 people belonging to 11 different families, whose vast majority were unemployed or underemployed in inland areas in the states of Rio de Janeiro and Minas Gerais, who participated in work and income or transfer income social policies and programs. The programs chosen were the Bolsa Família Program, Minimum Income and those directed to the informal market, i.e., programs for starting small businesses of solidarity economy.

A study of social trajectories was performed (Cabanes, 2002) (Pais, 2003), that is, different trajectories of work of the respondents and their families (husband, wife, and sometimes children) were collected and analyzed so as to understand how and why the interviewed workers have reached a somewhat precarious work condition, such as the informal market. The methodology of interviews with the whole family was due to the interrelation between family and work, that is, sometimes the family determines or influences certain career choices (Cabanes, 2002). The survey was developed with different generational and gender "samples", i.e., respondents were men and women, younger workers, who were seeking or had some insertion in the labor market, and also older workers with some or much experience in the labor market.

The social trajectories are understood here as social pathways (Cabanes, 2002; Pais, 2003). Different characteristics of each individual and their families were raised in chronological order through long interviews, primarily related to work and different aspects of social life. To Lautier (1994), work is not isolated from other social spheres, but it is socially constructed and influenced by different social aspects (choices, religion, etc.), not necessarily linked to economic aspects. According to Cabanes (2002), to understand the world of work, we must break with the isolated study of the social spheres. One cannot understand the work based only on the work itself, but we must establish its interrelation with other fields of the social world, such as family, politics, religion, insertion in the neighborhood, among others. The individuals' lives are not restricted to one field only, but they are a mixture of various social spheres (work, religion, politics, urban space, among others). Thus, research on the interaction between the different fields is crucial, since the world of work is under strong influence of other social spheres. Hence, we work at the interface of unrealized and often hidden issues in the frequent crystallizations and separations between sociology of work vs. family sociology, sociology of work vs. the sociology of religion, and so on.

Under the influence of Cabanes (2002), to understand the informal vs. formal relationship, we have not analyzed the trajectory of work (occupational) only in itself, isolated from other social aspects. We have analyzed the occupational trajectory in its interrelation with various social fields, such as family, religion, and political, community and urban space integration in general, among others. The work analysis is combined with other social spheres, setting a more complex and totalizing analysis of work relations, resulting in social trajectories. Thus, taking work as the center of our attention, we have also raised issues such as the nuclear family - decision-making processes within the domestic group, as well as the social and sexual division of labor -, the presence or not of the extended family (brothers, parents, cousins etc.), religion, insertion in the neighborhood, in politics, in the urban space, among other factors. Regarding

occupational trajectories, the goal is to understand why these people were employed and eventually left informal jobs in their lifetimes, what current and former difficulties and obstacles are related to the formal labor market, the relationship between the formal and the informal, among others. We have raised the trajectory of work in chronological and historical order and, although not always our respondents organized their work narratives in a continuous flow, we organized the interviews and the descriptions of families in order to portray different periods of work (individual and family) told in chronological and linear order.

In this process, we found the influences of other social fields (e.g. the displacements through different neighborhoods and even cities) in the working relationship. Thus, the study of various social aspects related to work allows us to better understand the world of social actors, who they are, what they think, how their experiences are assimilated and their turning points and changes in the course of their careers and lives.

We had also supposed that having different types of jobs, and, especially, in the formal or informal markets, was very important in the evaluation of programs by the beneficiary, as well as the work ethics, among others.

Besides studying the work trajectory of the beneficiaries of social programs, we chose to study the trajectory of work of each of the members of the nuclear family, composing the trajectory of family work as a whole. In addition to husband and wife, the children were also interviewed, as long as they had had some work experience.

The study of family work history as a whole is important since we believe that analyzing individual trajectories of work is insufficient to explain the assessment that the actors make of their lives, the best and the worst moments, inflection and turning points, the relationship between the formal and the informal. We understand that the individual does not live in isolation, but is made up of essential familiar social ties, because in most cases, the family is a life supporter (Cabanés, 2002). It is known that there is a family logic or unit in the search for integration into the labor market and for income, known in the sociological literature as family strategies for survival (Montali, 1995 and 2000; Telles, 1992).

The family is therefore a very important dimension, since the relationship between work and family is essential. The occupational trajectories of each of the components of the family (and the family as a whole), and the sexual division of family work are important variables in the analysis in order to understand the reflections of social actors about their relationship with formal and informal works and with life as a whole.

Similarly, income from social programs is not only spent by the beneficiary of the program, but meets a family logic. The place of each social actor in the family and the gender relations, that is, the fact that the beneficiary is male or female, and their "position" in the family (the provider or a member who supplements income besides the division of domestic work) is critical for the perception and evaluation of the beneficiaries regarding social programs, as well as to understand and attempt to escape the informal market.

The research questions sought to understand who these beneficiaries were and what their previous insertion in the labor market was, how they saw and analyzed such social programs, what they were like, how their previous work history influenced the view that the actors had on these policies, and especially whether these workers were able to break the relationship established between formal vs. informal in the Brazilian economy dynamics.

Thus, the consequences in terms of formal and informal work were also fully explored in this research: whether these people managed to return to the formal labor market or remained unemployed performing precarious jobs in the informal market, that is, which employment status they had after experiencing social programs.

Hence, we analyzed the consequences of life and work which occurred for those families participating in the social programs chosen, how such programs changed (or not) the family trajectories, what it means to study the social trajectories of families before, during and after their experience of the programs, as well as the consequences for beneficiaries (individuals) and their families which arouse from their participation in social programs. Only by understanding who the beneficiaries of social programs are, where they come from, what they think and their relationship with work (and other social spheres), can we analyze their experience of social programs and also the dynamics of the formal vs. informal relations as well as the chances of moving from the informal world of poverty to the formal world of rights.

Within the study of social policies, there is a search field widely known as evaluation of social policies which sets different criteria for their analysis. Most often, quantitative criteria are set to check whether these policies are efficient (comparing the policy initial planning, its assistance predictions and what was effectively implemented, and the number of beneficiaries) and effective (analyzing actions for beneficiaries and improvements in their lives such as their social integration). In the social policies directed to work, there are some quantitative studies on vocational education (Silva, 2001), impacts on the labor market (Barros, 2001; Teixeira and Azeredo, 1999; Assis, 2002; Ramos, 1997; Azeredo and Ramos, 1995), among other studies. In the field of the so-called policies of income distribution, there are studies by Sposati (1997), Suplicy (1988), Almeida (2001), Arregui (2005). From the qualitative point of view, there are some important studies on social policies, such as the opinion of Yasbek (1996), focused on the area of social assistance and also Zaluar (1994), who examines the policies related to education and work directed to young people. But the qualitative studies are still incipient when related to work and income programs which analyze the dynamics formal vs. informal. Most studies related to this issue examine the minimum income programs, such as Fonseca (2001) and Bicalho de Souza (1998). Through the minimum income program, the relations between family and social programs also began to be considered (Fonseca, 2001; Acosta, 2003; Carvalho, 2003).

Thus, studies are lacking in terms of the "social fabric" related to the work and income programs. In other words, analysis is lacking from the social actors' point of view, how they evaluate these policies, their opinions and thoughts, how these policies impact on their lives, whether the programs are able to break the economic dynamics that connects the informal to the formal, avoiding the precariousness of labor relations.

Through the analysis of individual and family social trajectories, we expect to contribute to the field of study on social programs, which have several gaps and weaknesses, and also to the study of the dynamics between the formal and the informal. Thus, this research aimed to adopt an essentially qualitative study of the social programs, thinking of them through an innovative analysis via individual and family social trajectories. In other words, there are no studies with the "entry" of this research, monitoring social trajectories of social program beneficiaries and their families.

By the study of social trajectories, we understand that we can better understand the consequences of social programs to the individual (beneficiary) and his family. The analysis of social trajectories can even help to reveal problems of efficiency and operation of social programs, which is very important to the study, to the analysis and even to the action in the field of social policies as well as to understand the dynamics of the formal and informal relation. Then, we will see some results of the field research.

6. ANALYSIS OF SOCIAL TRAJECTORIES OF HOUSEHOLDS IN PUBLIC POLICIES

We performed a comparison between the different families, checking the consequences of their trajectories in social programs. In order to compare these families' trajectories, we established work as a central element and analysis axis. As a criterion for distinguishing the trajectory of each family, we analyzed the course of the social program's beneficiary member. Thus, we established a typology which is representative of the different workers interviewed who comprise the families investigated.

Hence, we can order the social trajectories in three subdivisions (or groups):

1) Families belonging exclusively to the informal market.

2) Families who move from the formal to the informal market.

In this subdivision are included families, represented by the beneficiaries of the social programs, who had experience in the formal labor market and that, due to the resultant difficulties of this market, for example, the crisis of the 1980s and the neoliberal reconversion in the 1990s, eventually yield to the informal market and was unable to restore over a regular job, with a formal contract.

3) Families who move from the formal to the informal market and are reinserted in the formal market (after passing through social programs).

By social work trajectories bias, we can glimpse the crisis of the labor market in the 1980s and 1990s, marked by economic stagnation in the first decade, and neoliberal restructuring in the second one. Both have a strong impact on the trajectories of respondents. From individual and family stories, you can see the tragedies and consequences of the breakdown of the labor market in last three decades. In general, the trajectories of the three groups point to what the sociological literature calls "yo-yo" trajectories (Pais, 2003), i.e. a shuttle movement of inclusion and exclusion from the labor market, apart from passing through different sectors of the labor market, without the professionalization or segmentation in only one field.

In the first group, consisting of a younger generation, we transit between different jobs in the trade and services fields, all in the informal market. In the second group of respondents, primarily marked by an older generation and with more experience in the labor market, mostly, they have an initial insertion in the industry with a formal contract.

Subsequently, there are two possibilities: at first, an oscillation between formal and informal markets in different works in the trade and services sectors; another possibility for this group is, after work insertion with a formal contract in industry, to have an experience with different jobs in the services and trade areas, informally. The main feature of the second group, as previously stated, is that, even having experience in the formal labor market, these people end up definitely yielding to the informal market, from where they can no longer escape. Thus, specifically for women, the output of the formal market to take care of the children and the home meant, at later times - illness or death of the husband - the impossibility of a return to the formal market. The third group is also characterized for having an initial insertion in the formal work market and for passing by the informal market, with the difference that, after passing through the social programs, there is a reintegration into the formal market.

It is in this context of trajectories of unstable and precarious work (and life) that social programs arise. Facing downward social trajectories, social programs beneficiaries define them as a very important "aid", because they help to pay the household bills and debts, restoring family financial balance.

Furthermore, the beneficiaries feel valued for taking part in social programs, which keep them hopeful for a better life. The courses taken are well evaluated, while the work required by the programs is seen in different ways. For those who did not pass the formal work market, the program is seen as the best work experience achieved. For those who have had experiences in the formal market, the work performed in programs is seen in an ambiguous way. Having performed only informal jobs, such beneficiaries, on one hand, see the new experiences offered by the programs in a positive way; on the other hand, they classify the work in the program as "provisional" and sometimes "poor", since there is no possibility to continue and contract beneficiaries in the places where they served.

Generally, the income obtained in the programs is seen as something temporary. Hence, the beneficiaries corroborate the idea that only regular work (employment with a formal contract) can foster a definite social and autonomous inclusion, guaranteeing a continuous monthly wage, providing the possibilities of leaving extreme poverty, avoiding dependence on social programs. It is worth mentioning the idea that work is related with the issue of personal autonomy (Zaluar, 1985). Furthermore, beneficiaries are driven by a work ethic, the appreciation of work, since they emphasize the centrality of work and its importance to their lives (Sarti, 2003). Hence, getting an income without considering work (such as the "Minimum Income" program) is not often acceptable. Receiving a monthly income, only, is associated with the formation of "bums". Now, we mention impasses of these distributive programs which are mostly seen by recipients as not fully socially inclusive, because they do not always provide what the beneficiary him/herself thinks is the most important: successful work insertion (Fonseca, 2001). Thus, if income programs have much importance in combating poverty, their limitations are also evident if they do not exist or if policies aimed at generating new jobs are insufficient.

7. CONCLUSIONS

There is, currently, a predominance of neoliberalism in many countries, leading to disruption in the work market, unemployment rise, underemployment and informal jobs. It occurs in developed countries, and mainly in the underdeveloped countries of the capitalist periphery. In the new flexible accumulation capitalism, production processes has become as flexible as workers' rights, marked by increasingly precarious work contracts.

In this context of increase in unemployment and informal jobs, different public policies proposals, such as providing a temporary or permanent income to the unemployed, or promoting policies and economic development arise as a way to increase income and the number of jobs. Moreover, policies directed towards the informal market emerge in order to lead informal workers to the formal market. Public policies related to income transfer, generation of employment and income, which emerged as attempts to recover the work market and to combat social inequalities, are increasingly gaining importance and opening discussion about their potential social inclusion, or rather, ratify and confirm the disruption of the formal labor market (and rights).

The alternative policies of work and income arising in the 1990s and in 2000, focused on autonomous workers, individual and family micro-enterprises, cooperatives, among others, divide public policy experts. Some criticize the rise of precarious jobs that arise from these experiences and the lack of work rights for their components (Tendler, 2000). Other authors emphasize that the alternative policies of employment and income assist a public which is excluded from the formal labor market and the traditional policies, i.e. they serve unemployed people, informal workers and those who represent a large share of workers who are not

affected by public policies (Pamplona , 2001). It is known that small solidarity economy enterprises such as cooperatives and associations can help build citizenship and autonomy of their beneficiaries (Domingues Jr, 2003), but may also corroborate the increase in socially and legally unregulated work and cause increased exploitation of workers. (Barbosa, 2007).

Regarding income transfer policies, their importance for the improvement of nutrition, health and even education of their beneficiaries is widely known. It is due to the beneficiaries' monthly income increase or to the conditions required for participation in these programs or even to the interrelation of these policies with others, aiming to combat exclusion and poverty. (Pochmann, 2004) (Fonseca, 2001). The income transfer policies can also have important impacts on gender relations and on the creation of family equality (Rodrigues, 2008) (Domingues Jr, 2006). However, transfer policies, notably the Bolsa Família program, are criticized by the low amounts paid to beneficiaries, that is, they do not really materialize income redistribution in society, but only keeps their beneficiaries at a minimum level of survival, being away from effective social inclusion policies (Silva, 2008).

The income transfer programs, especially the Bolsa Família, advocates its interconnection with programs for generating employment and income. However, this interconnection is very fragile, intermittent and problematically performed. Thus, the current experiences of the Bolsa Família beneficiaries who participate in programs to generate employment and income point to the casualization of their work and living conditions (Silva, 2008). These work and income policies are part of a framework for job re-signification and insecurity, disruption in the labor market and, with rare exceptions, do not represent an authentic inclusion of their beneficiaries (Silva and Yasbek, 2006).

Hence, in general, we could notice, through interviews and field research, descending work trajectories. The beneficiaries of the work and income social programs that came to work for large companies in the formal sector in past decades and had proper citizenship rights are currently unemployed or work in the informal market. In other words, respondents aim to recover the formal work lost in the past. However, thanks to the recent meager economic growth of the country, with consequent low job creation, a return to the formal work market became infeasible. Many people are inserted into the informal market in order to survive and establish small businesses, often with their families. However, there are many obstacles to the success of these small businesses. By what we have ascertained, financing difficulties are great, making the development of these small businesses difficult.

In the participants' point of view of the analyzed policies, the income obtained is seen as extremely important, since many are in extremely difficult life situations, in which they are unemployed or even performing precarious jobs in the informal market. The income is the possibility of putting things in order, paying debts, taking care of their diet and improving housing conditions, among others. Nevertheless, the dream of most workers interviewed is to have a job, that is, a formal job which gives them the benefits of the law and life stability, ensuring a predictable and quieter future. Even after going through the public policies of employment and income analyzed, most workers interviewed returned to previous precarious informal jobs. Several factors were raised by the interviewees as obstacles to their insertion into the formal work market. Among them, the lack of education and low professional skills were the most important aspects. A way to circumvent the new requirements of the modern formal work market is by personal recommendation, i.e., by mobilizing a network of relationships, neighbors, friends and relatives.

To summarize, through interviews and the study of social trajectories of 33 people who went through work and income and transfer income programs, we confirmed that the programs were not enough to rescue and move workers from the informal to the formal market. Hence, these public policies did not break with the economic dynamics that connects the formal work with the informal one in Brazil. In other words, while appreciating the programs they experienced and recognizing the income increase obtained by going through the programs, the vast majority of respondents continued to perform quite precarious work in the informal market, failing thus to leave the informal sector to which they belong, i.e., they were unable to escape from poverty. In addition, most small businesses started in the programs were informal enterprises, which are not legally recorded neither pay taxes, generate low incomes for their owners and provide services at low prices to large companies in the formal sector of the economy. Likewise, several women who participated in social programs began performing precarious - informal - jobs again, such as sewing and others, for large companies in the formal sector of the economy. Briefly, public policies have not been able to break the cycle that links the informal to the formal economy in Brazil. On the contrary, they often reinforced this same cycle, since most of the participants continued to belong to the informal market, providing services to the companies in the formal market, through quite precarious informal jobs. We conclude that public policies of work and income in Brazil should be redesigned in order to break the formal and informal cycle in the Brazilian economy dynamics, and to make actual social inclusion and empowerment more effective.

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