

THE INFORMAL ECONOMY: THREAT AND OPPORTUNITY IN THE CITY

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The informal economy is a constant, though only partially visible, undercurrent of social and economic life of European cities. Through its more romantic and touristic guises of street trading, markets and selling roses in restaurants, its seedier links with drugs and prostitution, and the economic toe-hold it provides for immigrants, young people and students, it links with the formal economy and with the forces of formal and informal social control. The history of research into the informal economy per se is, however, meagre. There is a plethora of research into its individual manifestations (focusing on prostitution, or drug cultures, or the economy of drugs, or sweat-shops, or illegal dumping of waste), but a lack of concentration on the informal economy itself, its threat to formal social and economic order, its links with formal and informal social control and cultures, and its particular form in different cities (given their populations, opportunities and cultures). There is even less comparative research, looking at the manifestations of the informal economy in different countries, and linking these to economic and social structures and cultures.

We have undertaken an exploratory project to bring together researchers on the informal economy from across Europe and to get them to guide a pilot research study, whose fieldwork was undertaken in parts of two major European cities. The researchers met at a conference before the pilot research took place and then again at the end, to consider its results. They also presented papers on their own research. The project was funded by the European Science Foundation and was undertaken under the auspices of GERN, the Groupe Européen de Recherches sur les Normativités¹.

¹ GERN is a network of some 40 universities departments and research centres across Europe focusing on criminology and criminal justice. Details of GERN's activities

The results have recently been published by the Max Planck Institute at Freiburg as Shapland, J., Albrecht, H-J., Ditton, J. and Godefroy, T. (2003) *The informal economy: threat and opportunity in the city*. Kriminologische Forschungsberichte aus dem Max-Planck-Institut für ausländisches und internationales Strafrecht Band 114. This short piece provides a summary and review of the papers and research in the publication.

The framework

The starting point for organising the seminars and research projects was, hence, that the research field is not a tabula rasa, but one of scattered researchers concentrating in different countries on particular manifestations using different methods. By counterposing the emergence of particular forms of the informal economy in different cities, and their differential impact, we hoped to provide an opportunity to drive forward both an understanding of the informal economy itself, and, more importantly, its links with formal social and economic orders. By bringing together researchers who have been working in particular methodological and theoretical traditions typical of work on particular manifestations, we wanted to create new ways of looking at the forces encouraging the emergence and sustenance of the informal economy in different European cities with different means of formal social control.

The informal economy as seen by individuals and social groups

Our starting point in setting up this series of seminars was that, at the level of the city, there had been a considerable amount of research on certain aspects of the informal economy (for example, drugs or prostitution), but that the ways in which research had developed had tended to constrain that research within the parameters of those individual aspects. In essence, drugs researchers worked on different aspects of the drugs economy and who participates in it; prostitution researchers worked on prostitutes; and so on. However, just as things we label 'crime' or 'irregular employment' do not come ready shrink-wrapped and labelled as such, as in a supermarket, so equally I suspect that opportunities which individuals perceive and decide

whether to act upon are not readily compartmentalised and set out for them in this clear sense of theft, or fraud, or drugs.

Similarly, we can go into a careers advisory office and pick up literature or a video on becoming a solicitor or a doctor or working in the retail trade. How-to-become-it guides are less obvious in relation to becoming a burglar, or using stolen cheque cards, or dealing in drugs, or working on a casual, seasonal, cash-in-your-hand-and-no-questions-asked basis. Yet thinking about how to live and how to get enough money to keep accommodation, or lifestyles are questions which confront individuals at several points in their lives. They are particularly pertinent to younger, more disadvantaged or more socially disadvantaged individuals.

Nor are such matters solely at the level of individual decision making. It is clear that the opportunities themselves, and how they are viewed, are socially constructed and are likely to be differentially open to different social groups. Their constrained choices sum up to contribute to the overall economy and to the overall ambience of that city. They impact on its social control problems. At the level of city governance and policing, they become transformed into social problems to be regulated, controlled or fought.

Similar question were raised by some of the founding fathers of criminology - by Sutherland in relation to how people took to criminal work and what resources they needed to undertake that work; by Cloward and Ohlin in respect of their focus on access to illegal opportunities, as well as access to legal opportunities; by Matza and others in relation to how people become deviant. These were general theories and general ideas, intended to look at the whole criminal sphere. Since then, however, we seem to have compartmentalised and specialised our study of and work on criminality, or deviance, or work done in situations where official regulations are flouted. In fact, researchers have specialised so much that there are not even the English words to use to describe the sum of opportunities open across what are sometimes called the black, grey and white sectors of the economy.

What is the informal economy?

We see the informal economy as interacting with three different forms of formal order: the financial/economic order (the formal economy), the social order (national and city politics) and the criminal justice system. In some areas there is no clear dividing line between formal and informal. Work typically done by students, young people and recent migrants in the tourist,

catering and leisure sectors (in bars, cafes, etc.) is casual work, lowly paid, sometimes with the employer paying taxes and obeying health and safety or employment regulations (formal economy), sometimes not (informal economy). Equally, the dividing line between the informal economy (sometimes called the 'grey' economy) and the black (criminal) economy is also often unclear. Street trading of counterfeit or stolen goods, prostitution and dealing in drugs straddle the line between informal work (part-time prostitution by housewives, supplying drugs to friends) and organised crime.

These fuzzy lines contribute to the difficulty there has been in providing adequate definitions and boundaries to the informal and black economies (and hence, the formal economy) which work across economic, sociological and social order/criminal justice discourses. Hence, perhaps, the tendency of researchers to stay within their own subject area. We wanted to make these boundaries themselves problematic and to ask why and how we categorise/label different forms of economic activity as formal, informal or black. More importantly, what are the consequences of doing so? What threats do these activities pose to the economic, social and criminal order? What opportunities do they provide for different segments of the population, particularly those which have difficulties finding a place in the formal economic order?

Even using the terms black, grey and white sectors will be controversial. Categorisation in this field is contentious and problematic. This is not surprising. Categorisation by and of itself expresses the point of view one is taking, the social and political stratum from which one is coming. Categorisation in the context of a European seminar is even harder, but perhaps liberating. Some work and activities which are deemed criminal (against the criminal law - a formal legal definition) in one country, will be against regulatory or administrative law in another, and not illegal in any sense in a third. Some countries represented in these seminars have a separate section of administrative law. Some put everything under the criminal law, but somehow regard breaches of some tax or social security or workplace regulations as less 'serious' than theft. A considerable number of our legally based classifications themselves have social class and social structure overtones. In Britain, for example, 'insider trading', though illegal, is slightly frowned upon, or seen as commercial practice, whereas tax fraud is more heinous and social security fraud results in major government efforts to root out the offenders.

Why am I suggesting this complexity is liberating? Because as we think across countries, we shall necessarily have not to be constrained solely

within our own national preoccupations with what is illegal and what is criminal. It means that the economic, social and legal systems which are 'natural' to each reader, because they pertain to the nation state in which the reader resides, will not be taken as a given. It is these systems and their cultural concomitants which themselves, we think, play a large part in framing and encouraging the particular forms of the informal economy which are prevalent in that state. It means that illegality per se can be seen as just one factor in explaining the kinds of opportunities which exist for different social groups in cities, and one factor in people's decisions about the opportunities they perceive as existing for them or others in their neighbourhood and their city. There are likely to be other factors which are just as important.

Factors affecting the informal economy

Some factors affecting the emergence and prevalence of particular forms of the informal economy are well-known from research. One is the kinds of opportunities which the geographical and trade situation of that city has encouraged and so which are available to people. To take a simple example, seasonal casual work picking fruit and vegetables can only exist where there is such agriculture and for crops where mechanised picking is either difficult to develop or very expensive (for example, apples). Street robbery is not very profitable in villages or residential neighbourhoods where there are few strangers and little passing pedestrian traffic. Drugs trading routes lead from producers to distributors to consumers, like any other commodity.

Another factor is whether particular opportunities have been taken over by particular groups, to which entry is difficult. So, for example, the opportunities or the techniques may have been monopolised within ethnic groups, within cultural groups or by certain families. If we consider prostitution for example, prostitution on the street may be open to any women (though being economically successful at prostitution tends to require youth and either attractiveness or technique). However, prostitution tends to occur in certain areas in cities areas which remain red light areas for many years (even, as I noticed some years ago in Birmingham, despite redevelopment and the building of new middle-class estates - much to the chagrin of the new residents). Having a 'patch' of pavement from which to operate in a city may sometimes be difficult to acquire. The regulars may not look kindly on newcomers or there may be more or less organised at-

tempts to secure particular patches for particular women. None the less, newcomers in English cities are usually able to start prostitution on the street (even though they may find it difficult to shake off the attentions of pimps). Prostitution from 'saunas', however, is a quite different matter. Working there requires the agreement and support of the owner of the sauna, who can choose to whom to give that opportunity.

Yet another factor is the extent to which seizing the opportunity requires acquiring skills and techniques and how these may be acquired. For example, some credit and cheque card fraud requires equipment and (limited) skill - although much of this equipment is more available than many will realise. Other forms of fraud may require nerve or bravado, but hardly technical expertise. Equally, if the opportunity results in (non-legitimate) property, the person will need to convert the property into cash or legitimately held property. This is the market for stolen goods. If it results in lots of illegitimately acquired cash, the authorities are increasingly looking out for people depositing suitcases of grubby notes - there is now a market for stolen cash as well, which requires more specialised knowledge.

In sum, the informal economy is a constant, though only partially visible, undercurrent of social and economic life of European cities. Who is dipping into it, how they perceive its opportunities, how large it is, what form it takes and what problems it may cause are the subjects which we tried to explore in the seminars.

The relation of the informal economy to the formal and social orders

From a top-down perspective, that of the city and national policy makers, the informal economy poses considerable concerns and threats, which have been documented in some previous research. In relation to the *fiscal order*, informal activities do not contribute in tax. Should they be taxed (prostitution is currently one of the main problematic areas here)? What form of taxation might be appropriate: a tax burden falling on workers (income tax or VAT), a tax burden falling upon those who supply premises for the activity (property taxes), or a tax burden falling upon the more organised and possibly more profitable forms of the activity (company taxes)? Each form of taxation will target different aspects of the informal economic activity and differentially advantage particular forms. It will have the effect of discouraging certain forms and, consequently, seeming to advantage other forms, with allied social effects. High property taxes on brothels, for example, may increase street prostitution, which has unfortunate consequent

effects upon others using the streets, including other women and children. The overall tax burden on the different forms of the informal economy can be termed the *fiscal order*. The fiscal order tends to be set at a national level, with only minor variations between cities or regions.

The fiscal order is not the same as the *economic order*. The economic order concerns the economic effects of the informal economy. In several countries, certain economic sectors are to some degree reliant on the low wages and lack of regulation characteristic of the informal economy. The agricultural, catering and tourism sectors are the most obvious, with seasonal work being common in the agricultural sector (and now resulting in relatively organised forms bringing in seasonal workers from other parts of the country or even other countries, used to lower wages). Catering is increasingly regulated on hygiene grounds, but bar staff are still often casual workers. The economic order is far more differentiated geographically than the fiscal order, with different regions and cities having varying dependence on tourism or agriculture.

As we saw above, fiscal preferences for taxing also immediately pose problems of whether so doing implies condoning the threats to the *social order* posed by the same activities, which may breach city-wide policies for control of their symptoms, designed to promote social order (zoning, environmental policies, health and safety, employment law). Not only is there a regulatory question about the balance to be struck between tolerance and control (as well as one about the often conflicting demands between different population groups - for example, in relation to prostitution, residents and curb crawlers), but also one about the *criminal justice order* and the extent of policing. The preventive approach adopted by regulators to the kinds of work places typical of the informal economy (trying to improve workers' conditions) comes up against the retributive approach of traditional policing (prosecute them for currently illegal activity) and the exclusionary approach of immigration regulation (deportation etc.). We wanted to explore the different kinds of threats posed by different forms of the informal economy within different countries' regulatory and criminal justice frameworks and the effects of using different regulatory environments and operational practices.

From a bottom-up perspective of those seeking employment, however, the informal economy provides opportunities, albeit accompanied by potential threats (the impossibility of complaining about conditions, illegal activities etc.). It is important to explore the choices available in the employment market for different kinds of people in the city. These will be

linked to the population groups, the raw materials available (tourists etc.), formal employment opportunities (minimum wage thresholds, etc.), general economic conditions and cultural factors. This necessarily has to be a comparative study between different cities in order to draw out the most salient factors.

We see the city level as the most fruitful one at which to develop this formulation of the informal economy. Though the criminal justice order is often a national one (though there are often significant regional variations), social order is normally governed by city-wide policies for regulation, planning, community safety and economic regeneration. Those most likely to work in the informal economy tend to come from poorer sectors of the community and will see their employment opportunity horizons as city-wide, rather than national. Though informal social control operates at a much more localised level than cities (neighbourhoods, streets, clusters of houses, tenements), yet it is affected by city-wide policing cultures.

The framework for the exploratory work hence involved consideration of different forms of the informal economy, as seen in different European cities, and their links with the formal and black economies. Both threats and opportunities needed to be taken into account, so that it is possible to consider both the control environment and employment structures. The field so far has been dominated by single topic studies (on drugs, or on pollution control, or on employment options for migrants). To look properly at the informal economy, however, it needs to be multi-disciplinary, comparative and European in focus.

The literature search: the state of research on the informal economy in Europe

With the help of all the participants in the seminars², Dr Richard Wild undertook a literature search of all English and French-language research on the informal economy and its substantive aspects over the last 20 years or so. Sources included the standard electronic databases (such as BIDS), the catalogues of the Max Planck Institute, the Institute of Criminology at Cambridge University, and the University of Sheffield (which is linked to the British Library), and the French CESDIP catalogue. The results have

² The list of participants is given at the end of this report.

been standardised to provide a bibliography on disc in standard database format of nearly 1,000 articles and books³.

The results of the literature search were illuminating. Research on the informal economy in Europe is far less advanced in terms of empirical studies than research in developing countries, where it has been a major topic for anthropologists and development economists. In developing countries, we have detailed anthropological studies of the way in which particular peoples or those living in particular regions are using the informal economy and how this interacts with the formal economy in those countries, as well as estimates of the economic effects. In Europe, our knowledge is far more fragmented. There are a considerable number of detailed studies of people undertaking particular criminal acts, which would fall within the informal economy (burglars, drug dealers, fences, robbers, those involved with stolen or forged credit cards), though much of this work is now quite old and it is doubtful whether it represents current criminal patterns of activity and organisation. The research is also strongly concentrated in Britain. At the other end of the scale, there are economic studies of the national extent of the informal economy, largely based on estimates drawn from official statistics (labour inspectorates, police figures for drugs seized, credit card company figures etc.), though again much of this work stems from the 1980s and earlier. Governmental attempts in the late 1990s to estimate the size of the informal economy relative to GNP concluded that only certain aspects can even be estimated, and that official figures are not a very good guide.

This lack of soundly-based analysis of the informal economy is not just a matter of academic interest. From our pilot studies (see below), the social groups primarily participating in the informal economy are younger people in economically depressed areas and migrants. Tackling social exclusion means exploring why and how such groups need to take up these opportunities, and why they cannot find them in the formal economy. In addition, other major facets of the informal economy are the cross-national smuggling of goods (not just 'criminal' goods) and its relation to social and ethnic networks; the far more generic use of 'grey' economy services (building repair, household services) in countries where formal fiscal duties are high; and the high penetration of informal economic activity (and sometimes criminal organisations) in manufacturing in certain parts of Europe and cer-

³ The disc can be obtained from Professor Joanna Shapland at the University of Sheffield.

tain sectors. These aspects impinge strongly upon national and European economic health and upon the willingness of citizens to support formal fiscal payments. We consider that it is extremely difficult for European and national authorities to plan fiscal and criminal control measures without adequate information on these areas.

The pilot projects

As part of the overall project, we wished to use the expertise of all the participants to mount two pilot research projects. These were undertaken during summer 1997, one by a small team of researchers led by Dr Godefroy in Aulnay, north of Paris, and one by Dr Smettan in Bornheim, part of Frankfurt. Both were designed, with the active participation of those attending the first seminar, to test possible methods for looking at the informal economy, as well as to provide a preliminary picture of the informal economy and those participating in it (and what they earned) in those places.

The methods tested were to undertake observations (on the street, in cafes, bars etc.); to speak to those officials (and obtain official statistics where available) who might have knowledge of the informal economy (police, labour inspectorates, city officials etc.); to look for visible signs (advertisements for casual labour, local newspapers); and to undertake interviews with young people and those active in the community (taxi drivers, market stall owners, youth leaders etc.). All four methods were undertaken in each pilot, with 56 interviews being carried out in Aulnay and 28 in Bornheim. Although all the methods provided useful data and contributed to providing a picture of the different aspects of the informal economy in which different social groups were involved, the interviews were found to provide the richest data.

Thierry Godefroy, working with Sylvie Delaitre and Stephanie Mollaret, conducted a study of the forms of the informal economy most visible in Aulnay, which is about 20km north of Paris. Aulnay itself appears to visitors as almost two towns, an older nineteenth century area of houses and low-rise flats to the south and a large concentration of high-rise apartment blocks to the north, bordering the industrial and commercial zones near the airport. The high-rise apartment blocks are very densely populated, with few shops and a highly migrant, largely poor population. Its population is very young (nearly a third under 20) and growing. Employment in the formal economy for residents of Aulnay was possible in the largely manu-

facturing companies near or in the town, but the unemployment rate, though only at 7% in the south of the town, rose to 21% for the northern blocks. The formal offending rate for Aulnay, though higher in the northern sector, was nonetheless around the average for France and much lower than that of Paris.

Observation of the visible signs of the informal economy included adverts for workers in some of the local press and, particularly, clearly visible small, informal motor repair businesses in the parking lots round the northern high-rise blocks. Interviews with police officers tended to focus around drugs (a large market in cannabis, seen as completely common and taken by most youngsters, and a much smaller heroin market focused around an ageing population of long-term users). From the police perspective, it was the latter which caused criminal order problems, because of burglaries and robberies committed to feed drug habits, largely against close neighbours. Dealing heroin was thought to be confined to a very small number of families and to be both discreet (known clientele) and at the relatively local level. Local cannabis dealers would be supplying a very local group, with their profits helping to maintain a precarious family economic position. The drugs market, largely conducted in public, included employment for young people (10-14) who would be recruited to warn of the arrival of police officers, up to those selling medium or high quality packets. However, incomes were generally low and there appeared not to be whole families subsisting on the income from drugs. The cannabis market did not seem to be very organised or structured.

Much more visible and potentially rewarding was the market in stealing and repairing cars and car parts, though it was not regarded by the police as posing public order problems. It was concentrated in the (now closed) underground multi-storey car parks and at the time of the research on the car parking lots round the tower blocks, with at least 75 clandestine businesses operating in the underground lots before they were closed. The police themselves thought only a minority of businesses were stealing and recycling cars, with a considerable drop in car thefts reported over the previous few years, in contrast to an explosion in complaints about bits being stripped off cars. These informal car mechanics businesses were largely tolerated by the police, given the few possibilities for legal employment for the people engaged in them.

Further 'business' for young people on the estates took place in the foyers of the high rise blocks and included the sale or resale of consumer goods, such as clothes and hi-fi products, which might be from dubious sources,

together with services such as butchers, hairdressing etc. The consumer goods market was again quite disorganised with sellers aware of the likely illegal source of the products (shop theft, burglary), but feeling that, as long as they were only dealing in a few items at a time, this was not dangerous. A market took place a few times a week, again with sellers not necessarily registered with the authorities or selling goods not subject to tax. A rather more unusual business was the raising of pit bull puppies, which had become a status symbol at the time. In terms of work, there were all the normal forms of sub-contracting and casual work in the building trade, including former employees having become self-employed (but not necessarily paying the resulting dues to the state). However, the most likely forms of employment for young people depended upon the French tax regimes which allowed employers to employ the unemployed young at very advantageous rates. These essentially had rendered unnecessary employment of young people in the grey economy (without paying dues). 'Sweat shops', defined in terms of employment of a considerable number of people in one place, seemed unknown. However, there was piecework, largely in making up garments, done by women in their own homes. Many flats, particularly those from the Turkish or Asiatic communities, had sewing machines.

From the point of view of the residents of the poorer areas, the family income was often put together from a large variety of sources. Different family members could contribute in different ways, whether through legal employment schemes for the young, semi-legal work in the market, piece work at home, selling on stolen goods, busking, creating illegal decoders for satellite reception, or the meagre profits from the cannabis trade. The overall business generated was very diverse and depended upon informal contacts, but was clearly not very profitable. This was survival living.

In Germany, another pilot project, using identical methods, was carried out by Jürgen Smettan in Bornheim, an old, traditional neighbourhood of Frankfurt. Bornheim is largely a residential area, with no large factories. It has a considerable proportion of immigrants (27%), largely from the former Yugoslavia and Turkey. The unemployment rate was the same as for Frankfurt in general at 12%. Again, the research methods comprised direct observation, visible signs of the informal economy, analysis of advertisements and local papers, and interviews. Noticeboards and papers did not provide any signs of advertising for jobs in the informal economy. However, direct observation did provide clear signs of some activity.

The drugs selling points were around metro stations and in one particular square and were easy to see. Interviews confirmed that these places were

well known. Other forms of transactions (the stolen goods market) were often discussed in similar places, but the transactions themselves would be carried out in more private surroundings. The formal and informal markets found in Aulnay did not seem to exist in Bornheim.

Secondly, there was one street where, every day, around 100-150 men, mostly from Eastern European countries, would stand, waiting for cars or trucks to stop and pick them up to go off to do a day's labouring work. This street was not one of the drug markets. Some of this work, much of which is likely to involve building, will not be illegal in any sense. Some will form part of the grey economy, with relevant national taxes not being paid. Other forms of illegal employment in the grey economy were again in the catering (primarily bars) and building sectors, but these were not thought to be to an abnormal extent.

Quite separately, there was a very large economic sector in which private persons or small businesses would ask for work to be done 'cash in hand', with that work not being declared to the tax authorities (mainly so as not to pay value added taxes). The kinds of services included cleaning, painting, hairdressing, car repairs,

The amounts of money earned through these various forms of the grey and black economies were, as in Aulnay, not thought to be very high per person. They were money on the side to supplement legal employment, or to provide the means of survival for the young unemployed and immigrants who did not have the possibility of legal work. Customers' motivations were largely price and also a feeling that the state was taxing people too highly. Contacts were largely informal or through neighbours/family, though there were advertisements for such services in some local media.

We can see, from these two pilot studies, that the informal economy was very diverse. Though there were common denominators (building work, drugs trade), the national tax and employment markets did have significant effects on the forms of the informal economy found and the reasons why they have become established. Though in both places, the young unemployed and recent immigrants are those most likely to need the informal economy, national policies (such as the French employment policies) can lead to the virtual elimination, at least temporarily, of certain forms of the informal economy, or, as in the case of the German value added taxes, be perceived as too high and so encourage other forms. Though the overall economic impact of the informal economy in terms of lost tax revenue was clearly considerable in both places, at the individual or family level, earnings or profits were meagre. The informal economy could be seen as largely a supplement to welfare measures.

The current state of research on the informal economy

The other papers in the volume focused on specific aspects of the informal economy in particular countries and cities. Dominique Duprez considered careers in drug trafficking in the north of France, focusing on the heroin and cannabis trades, which has been concentrated, through police action, in poorer areas. Though trading cannabis seemed to lead to significant benefits to the dealer and his family, heroin was less profitable, largely because here dealers were often significant users. Drugs were often only a part of a larger market revolving around transactions of different kinds. The drugs-based economy revolved largely around the receiving, possessing and passing on of stolen goods.

Alain Tarrus, who has followed the movement of goods involved in the illegal economy in relation to the south of France, also underlines the intertwining of the markets in goods which are legal in themselves, but are being smuggled to avoid duty, and the markets in illicit goods, primarily drugs. He has traced the evolution of the commercial movement of goods from north Africa linked to particular ethnic groups. Maghrebins from Morocco now living in Marseilles have gone back to Morocco and then imported a small amount of cannabis, which they sold in Spain. Catalan Gitanos from Perpignan have travelled the opposite route to Spain, bringing heroin, but also becoming involved with it as users, with the concomitant dangers of HIV. Key links are between members of ethnic communities and extended families, living in different countries. Though cannabis does not seem to have significantly affected the community, merely bringing in some extra income, heroin has had a serious effect on traditional cultural values and the relative position of men and women.

Pascal Tuteleers and Patrick Hebberecht's research has concentrated upon drug tourism and drug smuggling between Antwerp, Lille and Rotterdam, particularly heroin and cocaine. In Rotterdam, there are several different drug markets, particularly dealing on the street, heroin dealing houses, the horeca, cocaine dealing houses and delivery to the house. Street dealing is the prime site for outsiders and novices, but transactions have to be quick and it is very difficult to check quality. Other venues tend to require an introduction from a known user, so social networks between drugs users are important. Drugs runners can recruit customers on the motorways or around railway stations. Drugs tourism stems from the inferior drugs markets in their own locality, as well as the possibility of purchasing drugs to take home - though the reputation of Rotterdam as a place where drugs are cheap and good is clearly important.

Jason Ditton, Richard Hammersley and Iain Smith describe the Scottish ecstasy research project, exploring the effects of ecstasy use on 225 users in the mid-1990s. They found that, though users did not report significant problems in terms of their health or social lives, many were involved in selling illegal drugs to others and involvement in the stolen goods market as well. A significant proportion had been arrested and been involved in the criminal justice system. The third with an illegal income found that this made up, on average, more than a quarter of their total income. So illegal activity is significant in terms of both the income and expenditure of individual drug users.

Vincenzo Ruggiero describes, theoretically, how the formal and informal economies have intersected. As Fordism has declined as the typical method of operation of the formal, legal economy, with the move to self-employment, sub-contracting and the 'just in time' supply regime, so there has been a blurring of the methods and structures used in the formal and informal sectors in terms of business organisation.

Salvatore Palidda has taken the case of Italy to demonstrate similar blurring in terms of the contributions of the formal and informal sectors to the economy of a typical town. The combination of a relatively weak state/formal social control and significant illegal immigration, together with the decline in traditional manufacturing industry, has produced concentrations of the informal economy in certain regions.

Letizia Paoli's work concentrates on the high criminal end of the informal economy - organised crime. In monetary terms, the major market is that of heroin. She describes the changing activities of the Sicilian Cosa Nostra and the Calabrian 'ndrangheta families, increasing their participation in heroin and cocaine trafficking, as well as arms trafficking. She again demonstrates the blurring of the line between different economic activities, with the same families involved in both legal and illegal commodity movements and trading, as well as services. The types of organisation required for illegal trading, however, have to take on board their own enforcement and quality mechanisms without being able to rely on formal regulatory means. Politics, as well as economics, are important in creating and maintaining markets, for both the state and organised crime operations.

Michel Schiray explores the definition of the informal economy and then focuses on French research on illegal activities associated with drug trafficking. In a context of economic exclusion and unemployment for certain groups, he would see the dynamics of the economy as pushing certain groups towards participation in the informal economy. Part of this will be

mutual aid within communities and families. Part will be moonlighting work to increase income. Thirdly, some illegal activities, particularly drugs, can offer survival strategies. In France, the cannabis and heroin markets have been largely disassociated. Cannabis dealing on a small scale is related to the small economy of dealing in many other products typical of youth in marginalised communities. Street trafficking of heroin, however, is far more seriously regarded by the police and has become far more professionalised, though again young people and immigrant groups predominate. Younger dealers may ally with older gangsters from the neighbourhood (as in the south of Paris), who are converting to drug trafficking. His research on the careers of these youths shows a precarious existence, requiring constant activity and effort.

Jean-Francois Lae looks theoretically at the possibilities of categorisation of different forms of the informal economy, considering its legal, regulatory and employment elements. There is very considerable diversity between different EU countries in terms of fiscal, social welfare and employment rules and policies, so creating a number of different markets. The informal economy can be a means by which particular groups, particularly migrants, aspire to an identity in their own social group, but it also excludes them from official aid in the form of welfare. It can be simultaneously both a socially inclusive and socially excluding means of work.

Michael Levi turns to a different form of the informal economy, notably using credit cards illegally, through acquiring stolen cards, using them, and re-selling them. The people involved in this range from individuals to highly organised international groups. Which method is used depends upon fraud prevention activities and the extent of risk-averseness of the fraudster. The overall picture is one of crime 'entrepreneurs' working in parallel to develop the best methods for them, rather than a considerable amount of joint activity to develop new methods.

Mike Sutton has explored the extent of the market for stolen goods in England and Wales. Stolen goods markets not only support thieves (who provide the initial merchandise) but also a variety of other actors, including commercial fences, residential fences and markets in pubs, clubs etc. They tend to be, like many other illegal enterprises, localised, fragmented, ephemeral and undiversified. Sutton describes the market reduction crime prevention approach being evaluated in the Medway Towns, which aims to reduce rewards and increase the risks involved, through increased surveillance of likely sites.

Martin Gill explores another generator of the informal economy - businesses as victims. He describes a survey of 2,618 businesses in England

and Wales, which illustrates the extent to which they are experiencing shop theft, burglary etc. Businesses are much more likely to be crime victims than individuals and victimisation is not randomly distributed, with some businesses repeatedly becoming victims.

Finally, Hans-Jorg Albrecht has explored the major issues arising out of the other papers and the seminars, underlining the ways in which the informal economy may provide both threats and opportunities for different social groups. Opportunities include both income and rewards in terms of acceptance, status and the pursuit of particular life styles. Threats come from the social problems caused by the establishment of black markets and the establishment of social niches where criminal and other victimising or exploitative activities can survive without being disturbed by policing and other forms of formal regulatory social control. In particular, the informal economy is an important way in which more marginalised groups can survive, but those groups may remain excluded unless the formal legal and social systems allow for the possibility of individuals and groups moving over to more participation in the formal economy.

Theoretical and policy issues arising from the seminars and pilot projects

The pilot projects, papers and discussion brought up a substantial number of points relevant to both policy makers and to the theoretical development of the subject. We set these out below⁴. We first needed to grapple with the question of how to deal with the frameworks for viewing the informal economy which have arisen from different disciplinary and policy perspectives, and discern in what ways to pluck out the fascinating similarities between informal economic markets for different goods or services (for example, drugs and stolen goods).

Defining the informal economy: the economic and legal frameworks

There are two different frameworks which have underpinned previous work on the informal economy: an economic framework which defines the informal sector as one which does not contribute to the fiscal revenue of the national economy, and a legal or criminological framework which creates a

⁴ References in this section to an author's name are to the paper in this volume and to the discussion generated by it during the seminars.

divide between legal work and illegal work (including work which involves manufacturing or distributing illegal goods or substances, or performing work which is in itself illegal)⁵. Sometimes there have been attempts to merge these two frameworks, as in distinguishing between the 'white' (legal, formal economic activity), 'grey' (legal, informal economic activity) and 'black' (illegal, informal economic activity) economies. However, the fiscal and economic factors which determine changes in the economic framework, and hence whether particular activities fall within the formal or informal economic sectors, do not necessarily march in step with the social and political factors which impact upon decisions to criminalise or decriminalise through the criminal or administrative law. Distinctions between formal/informal economic sectors and between legal/illegal sectors are a product of history, culture, time and place - and will necessarily vary between different parts of Europe. Moreover, illegal work such as fraud and some thefts is redistributive, in terms of the national economy, and so will not show up in national economic estimates of the informal economy⁶

The conclusion of the seminars was that it is necessary, in researching the informal economy, to work with both frameworks, rather than trying to combine them. Each creates different pressures on the individual considering entering or leaving the informal sector, because the control mechanisms (police, prosecution, compared to revenue investigations, fiscal penalties) are different. Moreover, the activities defining the informal fiscal economy are more heterogeneous than those within the informal illegal economy, because, as Paoli indicates, the informal economic market is an artificial construct which only exists because of state effort to regulate taxation. Its segments relate directly to those of the formal economic market and there are likely to be parallels with each area of the formal market (though many of these have not yet been researched at all). The informal criminal market is composed of those activities which have been specifically proscribed by

⁵ Davies' recent paper shows how problematic it has been to take an overview of work on the informal economy because of the competing definitions used by different disciplines: Davies, P. 'Women, crime and an informal economy: female offending and crime for gain'. Paper given at the British Criminology Conference, Belfast, 15-18 July 1997.

⁶ Although it clearly involves distribution between different sectors of the formal economy. For example, the market for stolen goods is fuelled by theft (normally from retailers and other commercial premises), with the goods (now of reduced value) passing to the burglars/thieves and onwards to (normally) private individuals who buy them in pubs, bars etc., which benefit from this custom.

legislative initiative (drugs, smuggling, stolen goods, running brothels etc.) and there may be no parallels with each part of the formal market. Hence the researcher needs to work with both an economic and a criminological framework to understand the opportunities and threats created by the informal economy.

We see recent developments in the labour market as being likely to increase the overall extent of the informal economic market. As salaried, life-long employment in one part of the formal economy becomes rarer (the death of the 'job for life') and as self-employment and casualisation increases, there will be increasing difficulty in distinguishing and controlling the informal sector. Indeed, our pilot studies indicate that young people may not be distinguishing between formal and informal employment, because both of these, for them, were likely to be very part-time, transitional 'jobs'. Equally, given the low-paid nature of much illegal work and service sector work (see below), much of it may be falling outside the taxation net in many European countries - and so outside the informal sector, if defined according to individuals' fiscal duties, though often not outside corporate (employers') fiscal duties. It will also add up to a considerable effect on the overall national economy.

Hence we need also to distinguish between work which falls in the informal economic sector because individuals engaged in it should be paying taxes, or not receiving benefit (benefit fraud), and work which falls within it because clients or employers should be paying dues (VAT or employers' taxation). As far as individuals are concerned, it was clear that, from the pilot studies, the kinds of people that were mostly involved were those who were deprived, young or socially excluded. The way in which we should be thinking about their economic opportunities was to compare the opportunities and threats offered by participating in the informal economy (legal or illegal) with their position if they did no work. Opportunities in the formal economy did not seem to be very available and, for migrants, state benefits may also be unavailable. Parts of the informal economy, for example the 'labour prostitution' in Bornheim (generally middle-aged men, who are often (illegal) migrants from Eastern Europe, who stand on the pavement of certain roads, waiting for cars to stop and offer them work), seem to be reserved for the modern 'outlaws' of European societies, who can acquire neither jobs in the formal economy nor benefits.

The involvement of the corporate sector and organised crime

Both individuals and businesses are involved in the informal sector, though almost all the previous research has looked at individuals. At one extreme

in the corporate sector, there is organised crime, whose operations are obviously illegal, though it operates both in the formal and informal fiscal economies (indeed, the essence of money laundering is its transformation into part of the formal economy).

At the other extreme, licit businesses may also cross the boundary between formal and informal economies for some of their work, particularly if the state fiscal regime is severe (the 'no bill' syndrome - Smettan). The same networks and trade routes may be used for both licit and illicit goods, as Tarrus' work on smuggling of licit goods and drugs between France and Spain shows, with the licit route being established first. Business is often the source of goods which then form part of the informal economy (stolen goods, drugs money from shop theft and commercial burglary). The reaction of business to victimisation defines the alternative formal economy employment opportunities in the area, where small shops and industrial units can be forced out of high crime areas by burglary, threats and arson. The commercial regulation of methods of payment (credit, cheque and debit cards) can have social exclusion effects on both the formal and informal economies in deprived areas. The well-known effect is that residents of deprived areas may find it difficult to obtain cards, credit references etc., thus affecting their potential in the formal economy. Control initiatives such as putting photographs on credit cards, however, also differentially benefit the more organised end of the illegal economy, which will find it easier to find people with the right looks to duplicate the photograph and present a stolen card (Levi). In general, however, greater technological initiatives offer the possibility of mitigating the more generic social exclusion effects on areas, because it will be possible to target individuals, rather than discriminate against all residents in the area, or the house. Whether these will be seen as commercially viable, however, is likely to depend on whether customers, or governments, pursue the social benefits involved, rather than looking solely at the financial effects.

The importance of a European dimension to research on the informal economy

The seminars concluded that it was vital to consider the informal economy at a European level. Previous work has not been able to look at the factors defining particular informal economy markets, because it has been constrained within national spectacles. Not only is there the necessity to compare the effects of different fiscal and social policies adopted by different

countries and regions (see below), but many forms of the informal economy have, simultaneously, both local and international dimensions. Local markets in particular towns for stolen fashion clothes (Godefroy), or decoders⁷ or drugs (Hebberecht, Duprez) or work in the informal sector are determined by both local and international factors, because both clients and suppliers are affected by trade routes, manufacturing and distribution requirements. If anything, increasing delocalisation of production through increasing sectoring of production (for example, in making fashion garments or shoes) and technological advances (for example, marijuana growing under artificial light) will increase these international effects, as Palidda has shown in his analysis of the large informal economy sector in Northern Italy, based on small family units of production.

The relationship of informal markets to national fiscal policy and its acceptability

Preliminary indications from the pilot research projects suggest that national fiscal policies can have strong effects on the kinds of people who undertake particular kinds of informal economy or illegal work. In Germany, the prevalence of the 'no bill' system in the service sector (tradesmen and small companies doing work for cash without presenting the client with a bill, so avoiding tax) in relation to building, household work, tuition and care is seen by clients and small business people as being justified because of the amount of tax that would be levied. In Aulnay, there was no similar practice, though it is highly likely that the car park motor mechanics would not be paying the right amount of tax to the authorities (given their lack of premises and use, on occasion, of stolen parts). However, clients were certainly not as involved as in Germany. We need to bear in mind, when considering the effects of fiscal policy, that, leaving aside for the moment organised crime, the pilot projects concur with the results of research on street distributors of drugs (Tuteleers and Hebberecht, Duprez) that, 'the wages of sin are below the legal minimum'. The participants are hence those who, for one reason or another, are not able to find greater rewards in the formal economy. The Aulnay research suggests that informal economic earnings are often supplemental to other sources for the overall family income, with many young people who are involved in the stolen goods market (doing 'business') still living at home with their parents.

⁷ Sutton, M. (1998) 'Netcrime', *British Journal of Criminology*, Summer 1998.

The overall effect of tax evasion in the service sector is potentially to put up formal tax rates. In certain conditions, the informal economy can also have direct market effects on the formal economy - and the criminal economy. Palidda suggests that the diminishing market for stolen goods in Northern Italy is because of the cheap supply of legitimate goods, which have been produced within the informal economy (non-tax paying) sector, i.e. that the informal economy can squeeze both the criminal and the legitimate markets if it becomes a significant part of the local regional economy.

The conditions for a significant growth in small-scale businesses (manufacturing or service sector) within the informal economy also seem to relate to the perceived acceptability of the national fiscal regime. In Italy, Ruggiero considers that the relatively large distance between the state and the ways in which civil society operates, which has grown up over the last century for a variety of political reasons, has allowed the mushrooming of small firms which have been allowed to operate without significant fiscal controls. In parts of Germany, the relatively high fiscal levies are no longer popular, so that people feel they can justify participating in the 'no bill' culture.

The relationship of informal markets to national and city level social policies

The particular forms of the informal economy which predominate in cities, or parts of cities, relate not only to fiscal policies but also to social policies. Some of these are national initiatives, but increasingly national social policy is to recognise the different social and crime prevention circumstances of regions and cities, and so we need to look at the city level (for example, in France, the UK, Belgium, the Netherlands). The pilot projects and the research reported in the seminars indicated a variety of effects on the informal economy (though much more work needs to be done in this area).

For example, in Aulnay the indications were that there was very little non-tax paying employment of young people (in markets, bars, factories, shops etc.), because the subsidies given to employers of young people made it as cheap to employ them legitimately (as was found in Aulnay). This didn't, however, stop the growth of the criminal sector (drugs, theft etc.). In Amsterdam, Korf has found that the policy of opening 'coffee shops' where cannabis is sold openly has reduced significantly the openings for street sales. Young (early 20s) unemployed people who used to be in-

volved in these street sales have lost these opportunities. Some opportunities exist in the coffee shops, but those with criminal records or who have heroin habits (and so greater financial needs) are not welcome there. The openings now for those for whom no legitimate opportunities present themselves (especially migrants) may well be in prostitution.

Is participation in the informal economy a transitional stage?

There is some evidence from the seminars that participation in the informal economy may be a transitional stage in people's lives. It may be that the informal economy is necessary for marginal groups, or to provide additional income where legitimate, casual work is very low paid. The pilot studies suggested that, for young people, being in the informal economy was seen as providing them with an identity, and skills, far superior to the dead-end life of being on benefits. By their mid-thirties, however, people in Aulnay were keen to move into 'regular' salaried jobs, even if these jobs were less well-paid, because they were more secure and offered more prospects, which tied up with their increasing family commitments. This needs confirmation, but it suggests that the informal economy is a young person's (or a migrant's) option, because the work is casual, bitty and constantly changing⁸. If so, then policies to wean the unemployed into work might be most profitably targeted at those in their late 20s and 30s, not just at young people.

The geographical dimension of the informal economy

The informal economy, like the formal economy, ultimately involves trade and hence trade routes are important. They have both geographical and social dimensions. One major resource is labour - and it is clear that casual labour in the informal economy flourishes near entry points for migrants, especially illegal migrants, or larger cities with ethnic populations where

⁸ The need to cope with constant change can be seen in the effects of fashion on the stolen goods market (Sutton, Godefroy), and in the disruptive effect on markets of control measures by the police or inspectorates (Ruggiero). Levi shows how fraudulent use of credit cards has to be done in a disciplined fashion, only using each card or method a few times, to escape detection. Korf has shown that homeless youths in Amsterdam relies on drug dealing, prostitution and theft and are unlikely to have the same sources of income all the time. However, the same bars and cafes are the sites for making all these contacts.

they feel they can remain anonymous. In Aulnay, there was a flourishing consumer goods and furnishings market (fuelled both legitimately and by theft/burglary) to supply the needs of new migrants who arrived and needed to set up house. We have already referred to the 'labour prostitution' in Bornheim. Trade routes in the informal economy also involve the transport of goods. Here one problem is the checks provided by the need to cross national borders, so that markets may be constrained within national boundaries, with greater sophistication and specialisation required of those who take on the role of crossing borders (see Hebberecht, Tarius in relation to drug smuggling).

The major difficulty for the informal economy is to create the means for bringing together provider and purchaser, or the different stages of manufacture, or manufacturer and retailer. In the formal economy, this is accomplished by advertising and marketing, as well as by direct interaction through social networks. The informal economy cannot advertise in the same way, or it will attract the attention of control agents. Hence clients need to know where to go to obtain goods or services - and often transport stations provide both ease of access and the possibility for suppliers to disappear quickly if the police appear. The area immediately around subway stations was one obvious market for heroin dealing in Bornheim, for example.

The role of social networks in the informal economy

The inability to advertise publicly means that the informal economy relies on word of mouth and trusted people, as well as particular sites. It is, therefore, almost certainly more dependent on social networks than the formal economy. The role of social networks dominated the work presented at the seminars.

Some networks, particularly client-supplier networks, are very local. The car repairing businesses in the car parks of tower blocks in Aulnay acquire their clients from the immediate area. Drugs and stolen goods are largely sold within the quarters of Lille and the pattern is similar in Belgium (Duprez, Hebberecht). The reasons for this local specificity are both the difficulty of informing potential clients about the goods or services, and clients' needs to assure themselves of the quality of the goods or services. It is difficult to complain if the job is done badly.

Other networks span the trade routes and may be cross-national. Here family, friendship or ethnic ties are crucial in providing the ability to trust

people and the security for the business. Tarrius has documented the ethnic and family ties involved in transporting and smuggling goods in the Mediterranean region. The home-based seamstress businesses in the informal economy in Aulnay exported their goods back to North Africa. Palidda shows that immigrants have only been able to penetrate the market for contraband cigarettes in the north of Italy, because indigenous Italians have cornered the market in the south, both through force (organised crime) and through the sheer scale of their economic activity in the region.

We suspect that the relative influence of geographical and social network factors in determining informal economy markets will depend upon the need to attract clients or participants in the next step in the chain who are strangers. Where strangers need to be involved (drugs, for example), then geographical features will predominate. Here, however, there is some evidence that a new element, mediators, appears. Mediators are used to attract the strangers (for example in drug tourism), so decreasing the risk to the distributors.

A key element is the enforcement of contracts

Participants in the informal economy cannot resort to law if they are dissatisfied with the product or the deal (though they can, and do, sometimes resort to informing the control agencies). Enforcement of trade conditions and the quality of goods is hence a major problem in the informal economy. Essentially, those losing out need either to decide to bear their potential loss, or to resort to their own enforcement techniques, often involving violence. The ultimate expression of this is found with organised crime, where violence is used both to enforce and, more dangerously for the formal economy, to attempt to drive out legitimately trading competitors (Reuter, Paoli).

Future research areas

Of course, many of the points listed above need further elucidation and analysis through studies in different cities. There are three further untouched areas, however, where the seminars indicated an urgent need for research.

1. Differentiating markets within the informal economy

The work on credit cards and drugs indicates an 'enterprise mix' of participants, with individuals, joint ventures, family enterprises, social networks

and more organised groups. We need to start to differentiate the different aspects of markets in the informal economy, looking systematically at the *people* involved and their social status, the *nature of the markets* (economic size, locality, dominance), the *opportunities and threats* posed by the different activities present in cities (particularly at whether they have the potential to become a stable, uncontrollable presence), the *places* in which transactions occur, the *clients* involved, the *resources and skills* needed, the *communication patterns and networks* needed, the ways in which *coincidence* between clients and suppliers are created, and the effect of different kinds of *regulation*. In doing this, we should be examining the distinctions used between different sectors of the formal economy (manufacturing, distribution, service sector etc.) to see whether they are helpful in relation to the informal economy.

2. The links with regulation and its effects

The state's role and that of fiscal and social policy can be seen as defining the boundaries and profit parameters of the informal markets. Regulation and the activities of control agents, such as the police and inspectorates, were not a major focus of these seminars, largely because, until the nature of the markets is specified, it is difficult to judge the effectiveness of regulation. However, it was clear from the pilot studies that the current multiplicity of control agents, each dealing with only a small segment of the informal economy, does not allow regulators, governments and researchers to obtain any overall view of the extent and effects of the informal economy. The national statistics produced provide very partial estimates of specific activities on which that agency has concentrated. Equally, because agencies' priorities understandably focus on what they can do by themselves, they may not be targeting their efforts most effectively. The proposed research will look at agencies' current concerns and information at the city level. With information about the nature of markets there, it will then be possible to see how regulation and markets match up.

3. The link with business methods and business ethics

Academically, economists have assumed a separation of political and economic functions, but work on the informal economy shows the importance of developing new methods which encompass both. In any part of a city, licit businesses and the informal economy are intertwined. Where the informal sector is relatively small and powerless, licit business is likely only

to feature as a source of goods for the informal economy and as a place to do business. However, as business ethics and methods start resembling and becoming those of the informal economy ('no bills', poor conditions of employment, enforcement by violence, protection rackets, attempts to force out the uncooperative, attempts to create cartels), so the formal and informal economies will merge, and the informal economy will become no longer a transitional state for those unable to find work in the formal economy, but the normal form of employment. We think it is important to consider the ways in which business is done in each area and sector, and to start to document the ways in which ethics may change, or be controlled.

The seminars and research

The co-ordinating group for the seminars and research was Professor Joanna Shapland and Professor Jason Ditton of Sheffield University, UK, Professor Hans-Jorg Albrecht of the Max Planck Institute, Germany and Dr Thierry Godefroy of CESDIP, France. The seminars were held from 12-14 June 1997 at the Centre for Criminological Research, University of Sheffield, UK and from 13-15 November 1997 at the Max Planck Institute, Freiburg-im-Breisgau, Germany (in both English and French). The list of participants at the seminars, the topics of the papers they gave and the seminars attended is:

The participants

Professor Hans-Jörg Albrecht (Max Planck Institute, Freiburg, Germany) 'Perspectives of research on the informal economy' (June and November)

Professor Jason Ditton (University of Sheffield and Scottish Centre for Criminology, Glasgow, UK) 'Drugs and the informal economy' (June)

Professor Dominique Duprez (IFRESI, Lille, France) 'Careers in drug trafficking' (November)

Dr Martin Gill (University of Leicester, UK) 'To what extent are businesses affected by crime? Understanding the impact of the informal economy' (June and November)

Dr Thierry Godefroy (CESDIP, Guyancourt, France) 'Une étude au niveau local de l'économie informelle: Aulnay sous Bois' (June and November)

Professor Patrick Hebberecht (Universitaet Gent, Belgium) 'Foreign drug scenes and informal economies in local drug scenes' (June and November)

Dirk Korf (University of Amsterdam, The Netherlands) 'Drug trafficking and prostitution' (June)

Professor Michael Levi (University of Cardiff, Wales, UK) 'Cheque and credit card fraudsters: the local and international economy' (June and November)

Salvatore Palidda (Fondazione Cariplo-USmu, Milan and Università di Parma, Italy) 'L'integration des immigrants entre formel, informel et illégal dans les villes italiennes' (June and November)

Letizia Paoli (Prato, Italy and Max Planck Institute, Freiburg-i-B, Germany) 'The boundaries of the informal economy and organised crime' (June and November)

Professor Peter Reuter (University of Maryland, USA) Discussant on all November papers. (November)

Professor Philippe Robert (GERN, Guyancourt, France) (June and November)

Professor Vincenzo Ruggiero (Middlesex University, UK) 'The formal and informal in the city bazaar' (June and November)

Professor Fritz Sack (University of Hamburg, Germany) 'Perspectives of research on the informal economy' (November)

Michel Schiray (CIRED/MSH, Paris, France) 'Informal economic alternatives: insertion and survival strategies in the dual metropolis' (June and November)

Professor Joanna Shapland (University of Sheffield, UK) 'Opportunities in the city' (June and November)

Dr Jürgen Smettan (University of Dresden, Germany) 'Psychological aspects of the informal economy' and 'Shadow economy: results of an empirical study in Frankfurt, Germany' (June and November)

Dr Mike Sutton (Home Office Research and Statistics Directorate, UK) 'Stolen goods markets' (June and November)

Alain Tarrus (Prades, France) 'Ethnicisation des économies souterraines de produits d'usage licite et illicite en méditerranée: Maghrébins de

Marseille, Noirs-africains et Gitans de Barcelone' (June and November)

Dr Richard Wild (University of Sheffield, UK) 'The story so far: the results of the literature search' (June and November)