

State, informal economy and civil society: a conceptual approximation from the networks' theory

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Resumen: Con base en el análisis o enfoque de redes, sustentado metodológicamente en la revisión de literatura académica generada en torno a la temática, el presente trabajo intenta desarrollar la tesis según la cual la sociedad civil y la economía informal representan fuerzas o movimientos complejos en la red social, de acercamiento y alejamiento a la gestión de lo público y al Estado. La interacción de estos tres ámbitos evidencia un esquema novedoso y contradictorio de relaciones que complejizan el logro del desarrollo económico y la democratización de la conducción política. El Estado ve debilitada su discrecionalidad y poder de coordinación en el plano global por la crisis del Estado de bienestar, la redefinición de roles, presiones y exigencias de actores emergentes, lo cual hace pertinente el estudio de lo informal y lo civil como redes que plantean retos a la gobernabilidad, en su vinculación con la gestión de lo público.

Palabras clave: Estado, economía informal, sociedad civil, redes.

Abstract: The present paper, based on the theory of networks' analysis, and methodologically sustained on the lecture of academic related literature, is an attempt to develop the thesis to describe how civil society and informal economy represent complex forces or movements in the social network, coming into and drifting apart from the State and the management of the public sphere. The interaction of these three fields shows a new and contradictory trend on this relationship that make complex both the economical development and the political direction's democratization. In the global stage, the State's coordination role has been reduced due to the crisis of the Welfare State, new actors, functions and demands of emerging actors, which makes relevant the study of the informal and civic networks, as well as the public and modern management challenges.

Keywords: State, informal economy, civil society, networks.



Introduction

The work presented pursues to contribute the academic analysis of the civil society's notion in the light of an on-the-subject-developed literature, and the relation of such theoretical construct with the concept of informal economy; ambits which are linked and systematically connected in different ways with the State, first line political actor whose power and discretionary nature are being reopened in front of the globalization-generated realities' influence, in a context of permanent search and construction of citizenship, democracy and development.

In such a sense, it is proposed — based on a revision and analysis of recent theoretical elaborations— to study the relation of the conceptual categories State, informal economy and civil network, taking as a reference, among other, the works of Lechner (1997) and Messner (1995) focused on the notion of social coordination and to the networks' identification as a new conduction mechanisms and political managements. The central thesis of this theoretical approximation assumes the existence of trends and tendencies towards a State-society relation reform, which conforms the frame for the emergency, on the one side, of the civil society, who will pursue a larger inclusion, approach or involvement in public management; and on the other side, the consolidation of the informal economy as a socio-economical and cultural ambit, whose action sphere would rather imply an evasion, a separation or a distancing from that public sphere, in its legal, judicial and institutional dimension.

The network's functioning scheme, in the political and economical ambit, is valid to analyze two of the contemporaneous state dilemmas: on the one side, channel the claims and demands of the organized civil society, appeasing institutional reforms to strengthen the democratic processes; and on the other side, to generate actions which include and comprehend socio-economical actors whose existence is ever getting away from the regulatory State sphere.

The network, as in organizational modality and social organization, would have thus two differenced objectives before the State: getting involved and getting close to public management, in civil society's case, and getting

away while possible, of its control and judicial regulations, in the economical ambit.

This complex and contradictory scheme of relations with the State sets a new context to design and execution of public policies directed to the consolidation and economical growth, and to the democratization of the citizens' participation. The differences in objectives, needs and demands of networks civic and informal in the public space justify in certain way the State's role, and point at reforms in its inside, which make it possible to the differenced design of policies for both sectors.

In this sense, the network's concept facilitates the analysis of this polarized behavior in its entailment with the public, as a theme to include in the debate's agenda not only academic but political, and on the permanent preoccupation around development ways and alternatives for Latin America.

Informal economy: from subsistence to enterprising

Informal economy can be defined, widely, as the aggregated assemble and transaction and operation complex of a lucrative kind, of socio-cultural, laboring, familiar and productive relations, and realized strategies of material subsistence and produce outside the regulatory and normative State's sphere, and which coexists and complements to those series of socio-economical relationships that are included or decide to include themselves in such normative sphere. Even though the not so new character of the study of the informality in the Latin American context, it is evident the conceptual diversity and heterogeneity of positions and approaches which try to characterize it.

There is generalized consensus in the academic literature in locating the origins of the "informal economy" term in Keith Hart's African laboring markets investigations, sponsored by International Labor Organization (ILO), whose results were published in 1972.

The historical, political and particularly economical dynamics, at a global level an in Latin America, together with the evolution of the discussion on development, causes and possibilities, have influenced in the different versions that, around informal economy, have been conformed during the last years.

Freije (2001) has inquired on informal employment in Latin America and the Caribbean based on the studies and figures supplied by the Economic Commission for Latin America (ECLA) and the ILO for the region, which—according to this author—denote the registrations disparity and the difficulty to reach conclusions respect to the tendency that shows the size of the informal employment in the zone, but in any case would suggest that, save some exceptions, none of the Latin American countries have been able to eliminate informality.

According to Freije, informal activity in employment's perspective remits to the study of the regulatory and macro-economical frame existing in Latin America's countries, which locates the informality's explanatory emphasis, more than in the logic of the activity itself, in the regulations or policies of the implemented micro-economical adjustments in the region and which, in the author's criterion, would be the main cause.

Because of this, to assume the "informal" adjective to characterize the growing presence in many of the societies of the undeveloped world, of actors and marginalized practices, excluded or self excluded of the so called "modern economy" or "legal rights' state", proposes precisely the normative-institutional emphasis assigned to this conceptualization, in the proposition that inclusion and respect to this judicial-institutional dimension would be the key according to a generalized criterion, to the adequate and normal functioning of any market, and the economical and social development's guarantee.

The abundance of terms to define the historical, political or productive particularities and its incidence in the economical field explain in a certain way the coexistence, altogether with informal economy, of categories as "social economy", "popular economy", "alternative economy", "solidary economy", cooperative economy", "subterranean economy", or even, of the so called "Third Sector, just to mention some.

However the terminological diversity, what it is about is to propose the existence of a model of economy or of various represented economies, on the one side, by a majority whose poverty or unemployment imposes restrictions and limitations to access to free economical fluctuation and market in its modern and global expression, next to more reduced actors'

segments with the possibility to compete and fulfill the demands of the called formal economy, in the frame of what tends to be identified as the Welfare State's crisis and the current enterprising paradigm.

In the middle of the dichotomy of separation between the formal and informal there is, of course, a wide gray scale in which it is possible to find, besides clientelar-relations between the State and social or corporative sectors, which makes it complex and attenuate much more attempt to absolute demarcation of both spheres.

The clientelism (practice of obtaining votes with promises of governments posts) and populism, as for mechanisms or relation forms among State and certain social sectors, represent paradoxically the largest incentives that altogether with judicial institution's weakness and the impunity, the State, indirectly generates to the evasion or the non-fulfillment of the law in general, and in the economical field in particular.

The copious adjective-rain that is now adjudged to economy evidently denotes multiple political, conceptual and ideological perspectives to access to a comprehension of the phenomenon. Whereas the ones who speak of "social economy", "popular economy" or "alternative" defend the unavoidable character of its existence, or tend to identify it with productive manifestations of poor, depressed or marginalized sectors to which the State must assist and promote, they who refer to "informal economy", "subterranean" or "non-regulated" draw attention on the growing breach of the legal and institutional frame the State is engaged to grant, or on the high cost of its realization implies, altogether with the insertion in the global and competitive new stage.

Before economical and productive transformations which have generated, at the same time, changes in labor relations, in its nature and regulations, multilateral organizations such as the ILO, keep among their institutional worries the informality subject. This organization's general conference, congregated in its 90th reunion in the year 2002, emitted a resolution relative to descent labor and informal economy, reflecting the interest which such reality creates, not only in the academic world but also in the laboring environment at a global level.

Such resolution, where it is recognized that in many countries, for both

barely industrialized and industrialized, changes in labor organization are linked to the informal economy's growth; and it is established that the "informal economy" term makes reference to the group of economical activities performed by the laborers and economical units that, as in legislation as in practice, are insufficiently considered by formal systems or are not at all. These people and enterprises' activities are not recognized by the law, which means, even if these people operate inside the law sphere, this is not applied or is not fulfilled; or the law itself does not foment its own fulfillment for it is inadequate, tricky or imposes excessive costs.

Pérez Sainz (1995) would rather talk about neo-informality, a term which in his opinion pretends to captivate this phenomenon's persistency as well as its new expression, alluding to the scene change generated by the foreign debt crisis in the 1980's, in front of the transformations in the 1990's and that define the current moment when they happen.

For this author it is possible to identify three scenes or hypothesis to explain that neo-informality, they are: the one of the "economy of the poverty", in which the basic variable would be the exclusion, and where only pauperization problems' solving can lead to a reduction in informal employment.

The second scene would be the "subordination to the sector of transables", i.e. the enterprising reality which generates the global dynamics, causing not only the delocalization and productive horizontalization, but also flexibility and salary cost reduction, and the consequent laboring precarization.

The third scene would be created by the "conglomeration of small dynamical enterprises", where it is optimistically assumed the socio-territoriality, which means, the conjunction of the spatial-territorial to the socio-cultural frame of communal productive units, whose formalization potential would be the social capital present in them.

It is possible, following these premises, face the various levels presence or analysis ambits: the individual (self-employment), the family (home), the productive unit (micro-enterprise) and the small enterprises conglomeration (communal micro-enterprises).

Prevails however, as a defining element transversal to such categories

the FLACSO (Facultad Latinoamericana de Ciencias Sociales) assigned feature for informal businesses, as those where the owner participates in a direct way in the goods and services production, or expressed in more simple terms, in the no-division or separation between capital and work.¹

In the current State-market global conflict, while the economical private and corporative forces advocate for the flexibilization and deregulation (laboring and tributary), the State defends its hierarchical power and political capital which still give it the monopoly or regulatory and judicial jurisdiction.

The presence of informal economy in Latin America is noticeable, and its linking to the unemployment phenomenon is also unavoidable. For the first 2005 semester, and according to ILO, the unemployment urban average rate was of 9.6%, 1.3 percentage points less than the registered in the same period in 2004.²

In the ILO's report "Laboring Panorama 2005", this organization expresses that during the last decades the sectorial composition and non-farming employment quality in Latin America and the Caribbean has been characterized by a high participation of the informal sector and the thirdarization. In the 10 countries with available information for 2004, the higher percentages of the informal sector employed people were registered in Colombia, Ecuador, Paraguay and Peru nearly 60%, and the lowest in Costa Rica (41.8%), Panama (41.6%) and Uruguay (37.7%)

The complexity in the study on the informal economy would be given, among other factors, by the multiplicity of approaches and perspectives partly evidenced already. In any case it is possible to say succinctly, based on Tockman's (2001), Bergesio's (2004), Freije's (2001), Pérez Sainz's (1995), Portes' (1999) y De Soto's (1986) analysis, a panoramic characterization of the existing theoretical approaches in the Latin American ambit, on informality.

¹ Menjivar Larín and Pérez Sainz (1993) quoted by Pérez Sainz (1995).

² For a group of nine selected countries of the region (Argentina, Venezuela, Brazil, Chile, Colombia, Ecuador, Mexico, Peru and Uruguay), which represent 89% percent of the urban Economically Active Population, and 95% of the regional NGP.

In one and another the causes or causers of the economical informality vary: the liberal-normative approach defends the legitimacy of the informal enterprisers and blames State's bureaucracy and the elevated costs of doing business; the laboring market approach supports that the structural impossibility of the urban laboring markets to absorb the increasing workforce excesses, altogether with technological changes, are weighty elements to explain informality; the productive decentralization approach identifies the large corporative enterprise as driver of the productive in-formalization of the laboring relations, searching for decentralizing options, flexibilization and geographical decentralization in order to minimize costs, generating sub-hiring and precarization of the laboring relations, besides taking advantage of the informal networks as commercialization and distribution channels; an the social or popular economy approach, which substitutes the adjective "informal" to emphasize not the legal or normative aspect, but the popular, spontaneous, extended and legitimacy of the economical and self employment poor sector's practices, with a sharp criticism to free-market and capitalism defending approaches, thus getting close to the ideological left and neo-Marxist sectors' discourse.

It can be affirmed, nonetheless, from the perspective of the public policies implemented in the recent years in the region, an interest in capitalize the enterprises' potentials grouped in many a segments of the informal economy. Hence, subsistence or survival as objective of whom act in the informality under self-employment, the on-your-own-ness or the micro-enterprise, is increasingly channeled from the State, in the interest of their conversion into small enterprising businessmen an towards their gradual formalization.

This effort would suppose, however, the effective detection of that enterprising potential, and the training, financing, organization and conduction conditions necessary to guarantee their sustainability, among the bulk of activities and modalities of the informal economy.

Despite this intention to foment the enterprising-ness encouraged from certain governments, which defines a large part of the activities, occupations, transactions and relations that structure informality is the evasion of the regulatory and fiscal policy State's action.

The nonexistence of macro-economical, judicial and institutional propitious conditions for private investment, the elevated formalization costs, the complex permission-logy, the State's weak fiscal policies, altogether the advance of flexibilization and productive decentralizing schemes, would contribute nonetheless to the persistence and advance of the informal economy, and would impose accelerated changes in the State's strategy and in the so far planned and applied public policies.

Informal economy would represent then a persistent tendency (for social actors not located in the poverty or subsistence space, as well as for productive units which look forward to overcoming the restrictions of the economical crisis in order to compete), to get away, to evade, to distancing or exclusion of the regulatory, judicial and institutional State's sphere.

This exclusion would be facilitated by the regulations' and effective fiscal policies' growing limitations, ungovernability, by the ruling impunity in the judicial level, and by the economical-productive and technological structure and logics re-composition of the capital at a global level. The relative failure (or the difficult defense, to avoid trends) of a large part of the macro-economical adjustment programs, applied in Latin America in the last decades, the next weakening of the political systems, and the administrative and fiscal policies State's failures to regulate the economical fact, together with structural problems such as corruption and clientelism, are added to the factors which from the State's territory have also encouraged informal economy's flourishing.

On the one hand, the in-formalization as tendency or idea-force would be in close link to that of "flexibility", so expensive to the globalizing and liberal discourse that fights for the need of "organizational horizontality", administrative hierarchies' relaxation and employment temporality and the laboring relations as prescriptions to enterprising survival.³

In front of the changes in the economical and productive recent structures, defined by the delocalization, decentralization and complexity, and the actions or omissions of the State's apparatus before that dynamics,

3 In order to deepen into this theme, see Francés (1999), De Venanzi (2002), Suárez (2001) and Llano (1994).

citizenship construction processes have been generated, whose demands have pressed the governing elites for a larger democratization. The informal, in the economical, has a counterpart in the emergency of a space for the politics: the civil society.

Civil society: democratization and participation as a desideratum

In the idea of civil society, beyond the long, fruitful and current debate which pursues to define it, it is the action of networks of actors, of organizations and groups of a diverse nature, whose common and agglutinative intention is to influence on the public conduction, on the design of State's policies and on the providence of public goods.

In the analysis on the meaning of what civil society is, as for social and collective expression that proposes to limit or to shorten the absolutist and intrusive State's excesses, it is stated the citizenship construction and democracy and liberty defense as values that enable the real exercise of the political and civic rights.

The conformation of civil, corporative or civic social networks, the finding of collective interests, and the attempts to structure a discourse, a claim, a way to influence the State's administration at its different levels and territorial spaces would represent, in any case, a tendency towards the State but in a contrary direction of that of the informal economy, which means, of approaching, interference and preoccupation for the conduction of the public, and for the democratization of the State and its functioning.

The diverse expressions and modalities which the informal economy could adopt have in common the intention to evade the official and governmental control, at the extent in which economical, legal, institutional and socio-cultural conditions persist to enable and to encourage (and not penalize) the informality or extra-legality of some of the informal activities, as piracy and smuggling, just to mention two of them.

According to Cunill (1997) the appeal to public would constitute a way to demarcate spaces. In Lechner terms (1992: 11, 12) quoted by the aforementioned author, the public can be interpreted as a specific ambit different to the political sphere and the state sphere: "the place of the citizens' collective deliberation and the modality in which the civic

preoccupation about social order can update the political in politics”.

The political remits to the dimension that has to do with the coactive and discretionary power of state's apparatus; the politics, expresses the author quoting Castoradis (1995), does not exist everywhere nor always; the true politics results from a socio-historical creation scarce and fragile; the object of the politics is freedom, and the effective freedom of each one is in function of the effective freedom of the others.

It could be affirmed in this sense, that the space of the public even if it can be associated to the State's action sphere, or any institutionalized public power (state public sphere), is also feasible to be circumscribed precisely to the emergency of new organization's and relation's networks not related to state's structure nor the market's (non-state's public sphere); but in which, more often every time, would be the governability and democracy as collective action possibilities.

In the same horizon of the generated literature to this respect, and in the revision of the theoretical constructions and which comprehend the civil society idea, recurrently appears the civil participation subject as an important variable and priorotary ingredient in any democratic frame or political system.

According to Douglas (2001) there are three classical forms of participation regimes, which structure the way in which civil society participates in the political process. Even if they are not at a constitutional level (first level), they make part in some aspect of the political process for the total of the population, and not only for some subgroup. The forms are clientelar, corporative and partisan division.

They are clear, in the middle of a debate not yet concluded for the Latin American reality, the blurred and changing limits of the “political”, as important ingredient and direction in the action of the organized civil society. Thus, the political is assumed, on the one side, as a legitimate search of the common welfare, intention to influence on decisions and design and implementation of public policies, co direction or civic supervision of public negotiations. However, this dimension is not few times concreted as electoral capture and retention of the political-institutional power of the State,

changing the political into partisanship.

The action of the three civil, social or civic networks will be policies at the extent in which they pursue and approach, control and participation in the conduction of the public, having as directions the democratization and collective welfare. Nonetheless, the blurred limit that separates such participation or approach to the State's power, as a means to reach a social purpose, of the search and capture of the political and institutional power of the State as an purpose itself, is what has generated distortion, political-party division and the loss of legitimacy of social and civil movements.

In this argumentative line, Douglas' thesis (2001) in relation to the three participation mechanisms of the civil society (clientelism, partisanship and corporativism) and the need to overcome the excesses and deficiencies of each one of them through the civil networks, coincides with Cunill's idea (1997) on the need of "publification" of the State. Cunill defends this publification to limit or reduce the elites' presences of any kind which, when blocking or suppressing the participation, threaten with its *de facto* "privatization", in order to power the real democratization and edification of a non-State public sphere.

Douglas, on his own, does not allow foreseeing risks, when affirming that "civil society and social capital's growth can be democratizing, but it also cannot be so; it will depend on the way in which institutions that relate the associations and the States work" (2001: 78).

This statement which points out in a certain way the relative and contingent character of the civil society's notion, as for its pretended holiness as a civic space and gathering of all the positive, and as for necessary insertion as a concept in a reality or social or historical concrete system, agrees with Olvera (2002), whose contribution is circumscribed to the Mexican case. Olvera (2002) points out accurately the variations of the complex construct:

Civil society is neither a collective actor nor a unique or unified space, it is not limited to the NGO's and constitutes kind of historical actor transformer by nature. Civil society is a contingent result of the modernity's construction which is only fully consolidated with democracy and legal rights' state. Civil society carries the promise of a critical relation with the

economical and political systems, but the fact that such potential acquires a real meaning is something contingent and not unavoidable. (In it) there are at the same time opposite meanings and economical, political and cultural contradictions. It is a space of conflict where interests and principles are processed at the time of the creation of interaction models with the market and the State which can favor, or not, the institutional democratization (p. 404).

The networks would embody, in such a way, a revitalizing potential of the economical development or the political democratization, whose concretion would largely lay upon historical, social and institutional factors as well as upon legitimacy and efficiency of the State's action. Informality, unemployment and productive crisis' increase and disinvestment in the economical, altogether with the sociopolitical unrest and the discontent at the traditional political representative ways, point towards the need for reforms in the public administration structure, in many of the Latin American nations.

Restating of the State's

It is undeniable that in the current context, of contradictions between the liberal and competitive rhetoric that exalts the advantages of the globalization, and the poverty and social exclusion persistence in different parts of the world, the State witness its political and economical power constrained, weakening this way its provider of goods and services role. The "Welfare State" would represent, in such a way, a victim who resists giving up to the lethal economical dynamics of the neo-liberalism.

Before this panorama, Cohen and Arato (2000) allude to the stated by Rosanvallon, in the way that the Welfare State disorganizes above all the networks, association and social solidarities, replacing them with administrative relations with the State. When assuming its absolute character as a granter and provider of public and social indispensable services, is interested in decrease the independence of any organization or external action, outside its action sphere.

The complexity of today's reality, in the light of the economical, social and political recent transformations, would make that exclusive and absolute

quality of the State conceived as a Beneficent State impossible, imposing variable levels of collaboration, consensus and alliances with other social sectors, among them the private enterprise, and actors from the so called third sector.

Because of this, and before the revival in Latin America of populist trends and tendencies, it is convenient to affirm that a populist State does not create solidarity, but more dependency on State, through a steady clientelar relation.

Populism, as for demagogic and individualistic scheme of State's management, not only reinforces the dependency under assistance-relations in the economical with impoverished sectors and opportunist enterprisers, but also neutralizes any intention of democratization, control and participation in the public management.

Rosanvallon, according to Cohen and Arato (2000), suggests the existence and importance of new collective services forms with private base and of the clandestine forms of economical structures which do not belong to the market and are not State oriented, but the author understands them as the first and most primitive forms of what is required. Even though the theoretical subjacent risks, it would not be adventured to assimilate what Rosanvallon calls "clandestine forms of structures of the economical life which do not belong neither to the market nor the State" with the idea either of the informal economy or, even, the third sector, at the extent in which actors, networks and organizations propose the needs' satisfaction that so far neither the State nor the market have been able to sufficiently guarantee on their won.

The institutionalization of the civil society, separately, understood as the possibility of existence rather constant of channels of participation and organized actuation in interaction with the State, in the middle of steady democratic frames, would imply some risks, among them, that outlined by Lechner (1997), according to which, when civil society represents a way of social coordination by means of "networks", horizontal and civic, there could be generated questionings to legitimacy and representation of such civil society, because of the difficulty to guarantee the true representation of all of the actors inside of the network, and because of the complex

problem to answer the question: "Who are and who are not civil society?"

In the path which leads to conceptual apprehension of the civil society, Ochman (2004) contributes with some analytical elements to feed the cognitive spectrum of the subject, particularly concentrating on the distinction between civil society and citizenship.

Ochman (2004) stresses three fundamental characteristics of the civil society: its plurality, self limitation in front of the systemic world (State and economy) and its dual structure: the institutionalized civil society on the one side, and the networks, solidarities and social relations on the other side. Ochman also states that whereas the citizenship concept describes mainly a vertical relation between a person and the State's institutions (Zapata-Barrero, 2001), civil society emphasizes the horizontal relations among the citizens in the public space frame. In terms of the quoted author, citizenship is defined as the enjoyment of the legal rights which protect the individuals against any coercive power, be it the State's, economical system's or from any of the other community members (2004: 478).

Distinguishing that postmodern debate is centered in the insufficiency of the formal equality for the marginalized groups and with identities which will never be assimilated to the abstract citizen's identity, Ochman (2004) coincides with the expressed by Cunill (1997) in relation to the impossibility to talk about citizenship in societies with impoverished or excluded from the education system majorities.⁴

It is not only the citizenship exercise the only protection mechanism or rights before the State, but also the collective and organized action from actors, in the context of civil networks, as a real possibility to achieve its defense and amplification. In a certain way, the individual and lonely vision of the citizenship assumes nowadays an expression that, given the systematic complexity of the environment, tends to be growingly more collective, organized and associated, in what the civil society would be.

⁴Cunill states: "Another problematic knot (in the constitution of an institutionalism of social representation) lies on the presumption that in order to obtain a larger political pluralism it is enough to favor the economical civic involvement in the public affairs, abstracting in doing so the economical-social inequalities' weight (1997: 165).

Social coordination and its forms

Governability—condition as desired as distant for many governing people—represents the possibility to guarantee the sociopolitical complex systems' equilibrium, where the sectorial boundaries among the economical, the social, the political the global or the local are attenuated by the globalization scene. Thus, the economical conduction and political coordination become every time more complex for the State because of the relations structured in the social networks, spaces where must be generated and realized that governability.

After lining out a central question (Which is the structural context where democratic governability in Latin American society is stated?), Lechner (1997) approaches the social coordination subject, stressing the need for a new social reality interpretative frame, and specifically, the one of the State's reform in a democratic society.

Social coordination, for this author, would assume three specific forms, as historic-temporal expressions of social interaction: political coordination, coordination by means of the market and coordination through networks.

Political coordination, according to Lechner, refers to the central and rector role of the State in the society as modern reality, ad the notion of sovereignty, external (State-nation that guarantees territorial integrity) as well as internal (centralized power that articulates social life).

Lechner (1997) —speaking of the social coordination' practical reach—refers to the planning institution and the rational planning paradigm, as means of action on reality. Its peak coincides with the Developer State model of the 1960's, even if it had a historical pertinence; soon it revealed its own contradictions (rationality crisis, fiscal crisis, legitimacy crisis, motivation crisis).

State's planning crisis and, thus, political coordination, displays itself already towards the end of the 1970's and early 1980's, product of the effects of the increasing demand of State's intervention and consequent social life overregulation, which generated the Welfare State weakness. Hence, globalization (external ambit) and the society's increasing complex state, with new actors with influence power in the public (internal ambit),

changed the traditional notion of sovereignty and the State's hierarchical centrality, and altogether with the foreign debt crisis (1982) favored the emergency of alternative of social coordination: coordination by means of the market.

Social coordination by means of the market, according to Lechner, would be represented by the experience of macro-economical adjustments from the neo-liberal cookbook that, facing deceptions and weaknesses of the State's intervention and political coordination, was experienced in a large part of Latin America by the end of the 1980's and the beginning of the 1990's.

According to this coordination form, defended by the neo-liberal thesis, market would be the self-regulated and self-organized instance able to achieve equilibrium in social order. This form of coordination is characterized for being decentralized (abolition of any center), private, horizontal and non-deliberated, becoming in the practice the antithesis of the political coordination, in respect to defining features.

Concrete social results in several countries of the region, after having applied this form of coordination, deeply negative and excluding, forged as a though lesson the idea that market alone neither generate nor sustains any social order. In barely more than a decade, refers Lechner (1997), Latin America underwent from market's discovery to State's rediscovery. In this way, emergency in the debate and civil society's collective reality, in the 1990's is the expression of an evident social complexity, and furthermore substratum for a third social coordination form: social coordination by networks.

Networks: social coordination as a possibility

In front of the challenges that imposes to political societies and to the State, as a fundamental actor in them, globalization process and the economical and technological logics that materialize it, it is possible to methodologically use the networks' theory, in an attempt to elucidate the form of relation of the State, with social sectors differenced by their civic-political or socio-economical and productive objectives.

Even though the recognition the practical and epistemological distances

between “civil society” and “informal economy”, it is possible however, using the coordination through networks’ concept and locating both spaces in front of the state, to identify interesting analytical entailments with the intention of foreseeing articulations and action’s strategies.

Coordination through networks, in contraposition to the State’s political coordination and to the coordination by means of the market, it is then defined as the horizontal coordination among different actors interested in a same affair with the purpose of negotiating and reaching its solution.

In Lechner’s words (1997), the social networks are a product of the growing differentiation and increasing-complex state of the society, and among its features are: combination of horizontal and vertical communication; linking of different organizations; its political, economical or mixed character is defined by the nature of its participants; more informal than formal relations; the achievement of goals by means of collective and shared decisions (once this is reached the network is dissolved); and the trust as a reductive mechanism of the complexity and uncertainty and, consequently, cooperation’s lubricant.

A network facilitates, according to Lechner, not only the articulation of different actors (sometimes antagonistic) and their respective strategic resources, but also the effective execution of the made decisions.

It is Messer’s thesis (1995) which many Latin American countries face today the difficult challenge to find a solution for the tri-lemma composed by a weak State for it is inefficient, weak enterprises in underdeveloped markets and weak social actors for their lack of strategies. Adopting a critical posture before the “politics economical theory” (public choices’ theory) for its excessive individualism and its limited understanding of the social behavior, Messer points out the presence of the notion of “group”, of “collective”, of “actors’ group”, that transcend this individual conception, and point towards the surging of forms of organization in networks, where problems are solved, more often every time, based on the horizontal coordination of policies in combined decision systems or pluralist political networks.

This author has expressed (1995: 263) that depending on mutual dependency among enterprises, public institutions and social actors, public

policies are shaped, increasingly, in formal or informal political structures outside the conventional channels of the legislative or executive powers and the administrative apparatuses. i.e., the political networks get more importance, developing in this way a “socialization of the politics”, or the existence of a system of “shared sovereignties”

It is thus established that the logic of the functioning of the civil and civic networks and of the informal economical networks (decentralized, horizontal, flexible with plurality of actors) presses in different directions towards public management, which must assist the complexity of this dynamics and then advance in front of the governability.

Informal networks: the evasion as direction

Informal economy would be then configured by the group of actors (be them individual, familiar, productive units, micro-enterprises, medium-size enterprises or associative forms or cooperatives) which realize economical activities and with profit purposes (reached at a variable extent according to the organization level, technology and present capital accumulation), framed in socio-cultural relations of trust which work, at the same time, as main added value, mechanism of reproduction and guarantee for its functioning; but furthermore as a restraint to enterprising formalization, to the inclusion in the formal market, and in the institutional and regulatory State's sphere. It is important to annotate that “formalization” would not be only understood as the fulfillment of determined legal, judicial, tributary and organizational requirements, but also as the real and effective possibility of growing and sustainability of the productive unit, and the broadening of its action ambit, of its capitalization and of its market.

The heterogeneity in the informal network would be:

- The presence of unemployed individuals who must “be self-employed” to grant their sustenance.
- Small familiar micro-enterprises with their abiding as establishment and relations that “make relative” the employer-employee relation, and perhaps enable the reduced production cost, in addition to:
- Micro-enterprises with important accumulation levels and with clarity in the relation capital-labor, with partners not necessarily relatives,

fulfillment of some legal parameters (minimum salary, social benefits) and even:

- Medium-size enterprises, with significant operation scales, hired personnel and participation in formal markets, where formality implies a cost-benefit calculus, or laboring, organizational, judicial flexibility necessary to reduce costs or to evade taxes that the State, due to its institutional and operative weakness, would be (de facto) unable to collect.

Informal economical network, even if it would represent for some a market inside a market, makes evident too a functioning logics for its integrants which goes beyond the formal, modern and global market as well as the State's regulatory action. In any case, it expresses the crisis of the connivance and social unity model; it symbolizes the polarization and socio-economical stratification of the society as a collective, product of the Welfare State crisis and of the no concretion nor the redistributive spirit nor the impulse to the wealth's material creation.

As a system, it states for the internal a self-regulated own regulation and, thus legitimate for its integrants and actors, regulation in which the legal and institutional sphere of the formal market is valid, only in those cases when it does not impede the economical production (or reproduction), the creation of goods, the commerce or providence of services of its integrants under their own rules. Here trust and cooperation are erected as reducers or simplifiers of the complexity embodied in the costs to access the formal market where there are no "you", "I" or "we", but only "thirds" or "legal entities" as economical subjects.

The relation of the informal economy network with the State, and the public sphere as for pertinence awareness to a political society, voluntary and deliberate obedience to judicial, institutional and positive norms dictated by the public administration, is in this case of distancing, evasion and exclusion (forced or deliberate). Network's decisions, internally, would state not only its functioning parallel and banished to the public sphere, but also new ways to evade and distancing from colonization attempts from the State's side, who usually assumes either redistributive and assisting schemes or public spaces eviction used by the informal groups, or financing programs that would look their gradual "formalization".

Civic networks: Approaching to the Public

In a near territory, civil society, as a confluence space rather well organized of social actors worried about the public management, as coordination ambit and of association of interests (related in some cases, radically opposed in other) that pretend to make the State's management democratic, can also be circumscribed to networks' functioning.

Civil society is not a totally unitary space nor consensual, even if apparently the postures and intentions are unified, that contained in it, configure such name. Certain liberal speech tends to incline towards a "holiness" of the civil society, as a pure and democratic expression of the self-regulated civic organization, in order to face the excesses of an supposedly totalitarian by-nature State.

Corporative, enterprising and clientelar tendencies, altogether with the associationism ones and the ones of the so called third sector, when come together in the organizational caudal and in the action proposal of the civil society, reflex the difficulty of the consensus in the decisions and in the modalities of the relation to adopt with the State. The heterogeneity in the conformation and the organizational weave of the civil society also reveals obstacles to guarantee the representativity and legitimacy of the "leaders", figures always needed to make viable the negotiation and rationalize the management of mass-gatherings and numerically as growing as unmanageable, under the idea of grating the democracy in the management and decision making.

Hence, the civil society notion, understood as civic network, states then the conjunction of group actors, associative and organizational whose linking logics with the state, or the public sphere, is different to that of the informal economy, to pursue rather an approach, an inclusion or negotiation with the State's actor, in order to participate in the production of public goods, or in the manufacturing of legal instruments with effects for the whole collectivity.

Thanks to communication and information technologies, the reach in the media of diverse social protests, demonstrations or diverse actors' encounters, the impact of civil society pressure in the world's political

processes is nowadays more notorious, informing besides of the subjects and demand for the State's agenda.

Separating the thesis of any radicalism, the stated does not imply to deny any possibility of an approach or encounter between the State and the informal economy as a network. But that will not be the usual and perhaps it will happen in tension or conflict-generated moments when the State tries to collectively incorporate the informal or included sectors in its normative and regulatory frame. The informal network's magnitude, its complex framework and socio-economical relations' strength and its cooperative logics, are elements which make this State's coactive attempt difficult to "formalize it".⁵

Civil networks formal and informal, in their relation to the State as granter of the public space, reveals tension and conflict moments, and distention and consensus moments. That reflects what some theorists stated on the importance of the conflict, and its power, more than destructive, creative, and regenerative, in society-life critical circumstances.

In this sense, it is undeniable the existence not only of agreements, harmony and consensuses but also of differences, conflicts, and oppositions not only to the internal of each network (civil or informal), but also among the networks ad the State. Because of this Messer has expressed (1995) that the elimination of every potential of conflict does not only undermine the capacity of social, political and economical innovation and reaction of the societies but also that of the networks. According to this author, societies from market economies democratically constituted generate necessarily an interminable sequence of tensions and conflicts which makes the permanent order and harmony's idea unsustainable.

⁵ For our state's purpose, we support that it is necessary to "de-unworthy" the informal economy, in the way to clarify that even if the informal or ambulant commerce id the most palpable, evident and politically conflictive as informality's public image, it is only one more expression (tip of the iceberg) of a much more ample and diverse network. The repressive tides of the police forces symbolize a more usual way of approaching from the State towards the informal economy; while, numerous modalities, practices and interests from the informal network remain isolated (and at a safe distance) of such diatribe.

As a consequence, the hope to neuter the conflicts by means of cooperation is an a priory project, destined to failure. And that, according to the mentioned author, for it is not functions of the networks to “eliminate” conflicts and search for social cohesion through the most of cooperation, but to make conflicts manageable. And by manageable it is understood and identified the enormous already mentioned conflict of the contemporaneous governments that of the governability.

Tension or distention would be assumed as the possible, changing and necessary moments, present in the relation of the civil and economic-informal networks with the State (and even to the internal of each one), relation in which the equilibrium would be expression of a harmonious agreement, but always temporary.

Informality and civil society: Political agenda challenges

A tool increasingly necessary for the State in order to exercise its functions, network would symbolize the sectorial and inter-systemic encounter ambit, par excellence space of the social coordination by means of networks, generative dimension of the Messer’s “shared sovereignties”, social possible capital, with a synergic potential dependant on disposition and relation among the diverse threads which make it.

The net, generally evaded as a management and coordination mechanism by the State, reflex, permanently in addition, the tension and distension, the cooperation or the conflict that can occasionally facilitate or difficult the consecution of the development as a strategic objective. The concept certainly has to do with the new forms the public management assumes, or of the public not of the State, and its effectiveness depends, at the time, on the threads which make it, among them civil society and informal economy.

Messer (1995) outlines the thesis according to which in the networks, actors work above all to solve problems which directly affect them. Precisely, networks are characterized by the identity of the roles of the affected and deciders.

If we apply this hypothesis to the alluded network’s thread, we would have that an informal economical network the affected id the unemployment’s, subsistence’s, shortage’s, exclusion’s and difficulty-to-have-

a-better-quality-life's victim, conditions which the State is unable to generate and before which the affected becomes a decider: self-employed, self-regulation, enterprising and creator of a parallel institutional regulation and not formal, mercantile and solidary at the time.

In the civil society network's case, the affected is the subject whose citizenship has been sadly restricted to an elector's role, isolated from the participation and victim of the democratic legitimacy's deficiencies of political systems in crisis. As affected he collectively assumes this problem's solution and become decider, through his inclusion in groups, organizations and associations, in collective volitions which search to intervene in the public management, and in the concretion of higher political and democratic participation levels.

But this network, evidently, is being debated between tension and distention, between conflict and negotiation, originating differenced levels of relation with the State's actor, or an approach and collaboration, or distancing and evasion, which affects the quality of the network's weave and, thus the efficiency and effectiveness of its functioning. This tension and this movement, which draw near or drives away the network's weave, make it rather porous to the environment's forces, rather integrated, in few words, rather coordinated. The persistence of the equilibrium in the weave's threads, of an optimal coordination of forces and interests, would represent the success in the public policies generated and applied through the network.

The development in a wide sense would undeniably represent the optimal and successful result of the conjunction and interrelation of all of the component elements of the social weave, i.e., the positive product of the coordination by means of networks. That would enable the development's progressive concretion, in its multiple variables, expressions and indicators, and the construction of public policies generated and implemented thank not only to all of the actors congregation, among them the State, but also to the synergic potential which emerges from the volitions' encounter, contribution and sacrifices in the network's social weave.

In this sense and in opposite directions, civil society and informal economy —understood as complex and dynamical networks— pursue each on their own fashion purposes that nowadays the State has not been able to

consolidate and guarantee sufficiently: a larger and better democracy, in the case of the civic and civil networks, and better life quality, basic needs satisfaction, free enterprising and material and spiritual wealth, in the case of the informal productive networks.

The growth or maintenance of forms and networks of social and civic relation and action which give meaning and presence to civil society, on the one side, and the increase and persistence of production, labor, informal or not regulated economical interchange relations, on the other, represent of a same relation level with the State but with opposite directions: the civil society of proximity to the State's sphere, and the informal economy of distancing and evasion.

Even though the distance that the social and quotidian praxis and the epistemological debate seem to establish between civil society and informal economy, understanding its presence and conformation as tendencies, both assume and reflect nonetheless, the preeminent role that the State still has, as a social cohesion and political power instance; but the one and the other fed on the limitations of the State, making evident the need of an institutional reform, in the globalizing and competitive project's frame, and the logics it brings along with it.

The inclusion and evasion of the public, as tension and distension moments in the relation of the civic and economic-informal threads of the network with the State, proposes the use of the possible synergy, of the strategic and coordinated interaction, of the innovative potential and of the shared sovereignty that management by means of networks' systems can generate, in the design and instrumentation of public policies which make possible and viable the objective of the large social majorities, which is, the development a better material life, civic and democratic quality.

Latin American political agenda is nowadays full of problems and pending subjects, whose diversity and urgency respond, certainly, to each national reality and to the way in which societies approach them. Poverty, exclusion, violence, human rights, strengthening of electoral solutions to political crisis, emergent leaderships, corruption, legal rights states validity, unemployment, subjects are as inexhaustive as complex

In two areas are clearly identified the challenges of this agenda for the

State: adequately channel the inclusion and participation demands of the civil society in State's management, making this approach real and institutional in the legal frame, and progressively incorporate the numerous economical and productive popular actors, which from informality, satisfy their economical and laboring needs, distancing and evading from the State's surveillance.

The institutionalization of the civil society (at the extent at which it does not limit its plurality of opinions nor action freedom) needs the recognition of the State, of social actors, civic, economical, cultural different to the political parties, and of its right to participate in an organized way in the process of design, deliberation, execution and evaluation of public policies.

In this direction, the approach to the informality from public management imposes, at the time, the challenge to analyze the mercantile regulation, tax and laboring, making flexible the bureaucratic procedures of registration and tax paying, and reducing the direct and indirect costs of doing business, altogether with incentives to avoid the informal economy's growth, laboring precarization, unemployment and enterprising disinvestment

Distinguishing those informal enterprises closer to the subsistence, with a profile more adequate for social assistance, the potentially sustainable and decent employment and investment generators, the State's support channeled in public policies must be characterized by integrality, conjugating the training duties, with advice, financing and social protection.

Economical and political decisions are made currently, more often every time, in the weave of the social networks increasingly complex, which set the management horizon in any organization. The State must then adjust its normative and institutional regulation at the pace imposed by the coordination by means of networks, in order to manage the complexity and create the social cohesion and the consensus that contribute to the gradual consecution of the governability and development.

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