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Two Stops in Today's New Global Geographies

Shaping Novel Labor Supplies and Employment Regimes

Saskia Sassen
Columbia University, New York, NY

The key variable is the incipient formation of global labor markets at the top and bottom of the economic system. At the top there is the transnational market for high-level managerial and professional talent across economic sectors, from finance to engineering; this market is increasingly shaped by public and private regulations. At the bottom one finds an amalgamation of mostly informal flows, with the "global care chains" among the most visible ones. There are sites of complex intersection between these two markets. The two sites singled out for examining the formation of these labor circuits are the global city and a set of Global South countries subject to the international debt-financing regime that puts governments, firms, and households under enormous constraints to survive. Emigration and people trafficking now generate money flows that help governments, firms, and households survive. The focus is especially on lower labor circuits and their feminizing.

Keywords: *labor circuits; global labor markets; global cities; feminization of survival*

Across the centuries, the international division of labor has included a variety of translocal circuits for the mobility of labor and capital (Aneesh, 2006; Froebel, Heinrichs, & Kreye, 1980; Koo, 2001; Kothari, 2006; M. P. Smith & Favell, 2006; Potts, 1990; Silver, 2003; Wallerstein, 1974). These circuits have varied considerably across time and space, shaped at least partly by the diverse processes through which labor and capital have been constituted across the world.

Many of these older circuits continue to exist today. But, there are often new dynamics that feed them. And, there are new types of circuits as well. One outcome is the emergence of novel global geographies, which cut across the old North–South divide. They are constituted through a variety of familiar processes: the increasingly globalized operations of firms and markets, through the multiplication of firms' affiliates and partnerships, through labor migrations and people trafficking networks.

Author's Note: Please address correspondence to Saskia Sassen, Robert S. Lynd Professor of Sociology, Department of Sociology and Committee on Global Thought, Columbia University, 422 Fayerweather Hall, 1180 Amsterdam Avenue, New York, NY 10027; e-mail: sjs2@columbia.edu.

These new geographies are also constituted by far less familiar dynamics, such as new types of mobility through digitization and virtual outsourcing (Aneesh, 2006) and, perhaps at the other end, global peddling (Kothari, 2006).

Among the more complex formations to arise from these conditions, and a key focus in this article, is the incipient formation of global labor markets at the top and at the bottom of the economic system (M. P. Smith & Favell, 2006; Sassen, 1988, 2007). One of these is the transnational market for top-level managerial and professional talent comprising a variety of economic sectors, from finance to highly specialized engineering, and characterized by a growing set of public and private regulations (Sassen, 2006a). The other type of global labor market is made up of an amalgamation of mostly informal flows, with perhaps the most visible circuits being those of the "global care chains" (Ehrenreich & Hochschild, 2003; Parreñas, 2001). The middle sectors of firms and of the workforce in developed countries remain overwhelmingly centered in nationally scaled labor markets. These two global labor markets are constituted through multiple specialized circuits and are far from clearly legible as global labor markets; thus, the aggregation implied by the notion of a global labor market is an analytic step. In fact, these global markets are generally seen through the lens of local labor markets in the places at issue; the tendency is to overlook the fact that some of these local labor markets might also be one site in global labor market circuits.

There are sites with multiple intersections among the diverse circuits comprising these two global labor markets. This article focuses on two such intersectional sites, one in the Global South and one in the Global North. Given space limitations and the focus of this special issue, I confine myself largely to the lower labor circuits and, within these, to those where women are the key labor supply. One site for such intersections is the global city, specifically, the more than 40 global cities that today constitute a kind of organizational platform for the global economy. The other site is a set of Global South countries, or subnational regions within them, subject to the international debt-financing regime that puts governments, firms, and households under enormous constraints to survive. Becoming part of global labor migrations increasingly emerges as one survival strategy for people in these countries; this in turn produces synergies both with governments' growing dependence on migrants' remittances and with trafficking as one entrepreneurial option. Focusing on women is particularly illuminating in the current phase; they emerge as actors situated at the intersection of major dynamics, ranging from hyperindebtedness among governments of poor countries to the mix of labor markets that secures the necessary functions in global cities.

Mapping a Multisited Conceptual Landscape

The growing immiseration of governments and whole economies in the Global South has promoted and enabled the proliferation of survival and profit-making activities that involve the migration and trafficking of people. To some extent, these are older processes, which used to be national or regional and today can operate on global scales. The same infrastructure that facilitates cross-border flows of capital, information, and trade is also making possible a whole range of cross-border flows not intended by the framers and designers of the current corporate globalization of economies. Growing numbers of traffickers and smugglers are making money off the backs of men, women, and children, and many governments are increasingly dependent on their remittances. A key aspect here is that through their work and remittances, migrants enhance the government revenue of deeply indebted countries. The need for traffickers to help in the migration effort also offers new profit-making possibilities to "entrepreneurs" who have seen other opportunities vanish as global firms and markets enter their countries and to longtime criminals who can now operate their illegal trade globally. These survival circuits are often complex, involving multiple locations and types of actors and constituting increasingly global chains of traders, traffickers, and workers.

Globalization has also produced sites that concentrate a growing demand of particular types of labor supplies. Strategic among these are global cities, with their sharp demand for top-level transnational professionals and for low-wage workers, often women from the Global South. These are places that concentrate some of the key functions and resources for the management and coordination of global economic processes. The growth of these activities has in turn produced a sharp growth in the demand for highly paid professionals. Both the firms and the lifestyles of their professionals generate a demand for low-paid service workers. Thus, global cities are also sites for the incorporation of large numbers of low-paid immigrants into strategic economic sectors. This incorporation happens directly through the demand for mostly low-paid clerical and blue-collar service workers, such as janitors and repair workers. And, it happens indirectly through the consumption practices of high-income professionals both at work and in their households, practices that generate a demand for low-wage workers in expensive restaurants and shops as well as for maids and nannies at home. In this way, low-wage workers get incorporated into the leading sectors, but they do so under conditions that render them invisible, therewith undermining what had historically functioned as a source of workers' empowerment—being employed in growth sectors.

This mix of circuits for labor supply and demand is deeply imbricated with other dynamics of globalization: the formation of global markets, the intensifying of transnational and translocal networks, and the geographic redeployment of a growing range of economic and financial operations. The strengthening, and in some of these cases the formation, of new global labor circuits is embedded in the global economic system and its associated development of various institutional supports for cross-border markets and money flows. These circuits are dynamic and changing in their locational features. Some of these circuits are part of the shadow economy, but they use some of the institutional infrastructure of the regular economy. Most of these circuits are part of the formal economy, and they service leading economic sectors and places worldwide. This mix of labor supply and demand circuits is highly differentiated and multilocational.

All of this has happened at a time when developing economies have had to implement a bundle of new policies to accommodate the conditions associated with globalization: the often forced adoption of structural adjustment programs (SAPs), prominently including the opening up of their economies to foreign firms (World Bank, 2005a); the elimination of multiple state subsidies to vulnerable or development-linked sectors, from public health to road construction (United Nations Development Programme [UNDP], 2005); and almost inevitably, financial crises and the prevailing types of programmatic solutions put forth by the International Monetary Fund (IMF; Pyle & Ward, 2003; Reinhardt & Kaminsky, 1999; see also Henderson, 2005). In most of the countries involved—whether Mexico or Thailand or Kenya—these conditions have created enormous costs for certain sectors of the economy and for most of the people and have not fundamentally reduced government debt. Among these costs are the growth in unemployment, the closure of a large number of firms in traditional sectors oriented toward the local or national market, the promotion of export-oriented cash crops that have increasingly replaced subsistence agriculture and food production for local or national markets, and finally, an ongoing and mostly heavy burden of government debt in most of these economies.

One question running through this article is whether there are systemic links between the growing presence of women from developing economies in a variety of global migration and trafficking circuits on one hand and the rise in unemployment and debt in those same economies on the other. There is a large body of data on each of these two major processes, but it does not necessarily address and develop the connection between them (Alarcon-Gonzalez & McKinley, 1999; Buechler, 2007; Cagatay & Ozler, 1995; Central Intelligence Agency, 2000; Datz, 2007; Ehrenreich & Hochschild, 2003; International Migration Office, 2006; Kirsch, 2006; Pyle & Ward, 2003; Ward, 1991). More specifically, we can posit that the following combination of conditions in poor countries has contributed to raising the importance of alternative ways of making a living, making a profit, and securing government revenue: (a) the shrinking opportunities for male employment, (b) the shrinking opportunities for more traditional forms of profit making as these countries increasingly accept foreign firms in a widening range of economic sectors and are pressured to develop export industries, and (c) the fall in government revenues, partly linked to the first two conditions and to the burden of debt servicing.

The evidence for any of these conditions is incomplete and partial, yet there is a growing consensus among experts about their importance in the expansion of alternative survival strategies for households, enterprises, and governments. I will go further and argue that these three conditions are contributing to an alternative political economy, one arising partly from Global North interventions in poor countries and eventually extending back into those same Global North countries but through different circuits (notably, trafficking of women) from those of the earlier interventions. Women from developing or struggling economies play an increasingly important role in the creation of this alternative political economy, even when this is often not self-evident or visible. This lack of visibility has long marked much of the difficulty in understanding the role of women in development, generally, and it continues today (for critical accounts, see Bose & Acosta-Belen, 1995; Boserup, 1970; Chant & Kraske, 2002; Deere, 1976; Elson, 1995; Pyle & Ward, 2003); this is a subject I return to in the next section. In many ways, the three conditions listed previously are not new. What is different today is their rapid internationalization and considerable institutionalization.

At the other end of the politico-economic spectrum, major changes in the organization of economic activity since the 1980s are contributing to a growth of low-wage jobs in today's most developed and strategic economic centers in both the Global North and Global South. Such trends in turn contribute to general economic insecurity and new forms of employment-centered poverty among workers, even when employed (for a variety of angles on this issue, see Fernández-Kelly & Shefner, 2005; Hagedorn, 2006; Kirsch, 2006; Kofman, Phizacklea, Raghuram, & Sales, 2000; Munger, 2002; Ribas-Mateos, 2005; Roulleau-Berger, 2003; Susser, 2002; Taylor-Gooby, 2004; Wilson, 1997). This is a broad subject that includes, importantly, the fact that such strategic economic centers are emerging fast in the Global South as well, although not in the poorest economies. Questions of racism, colonialism, and resistance are all at work in some of these configurations in both the South and the North (Bada, Fox, & Selee, 2006; Bonilla-Silva, 2003; Chase-Dunn & Gills, 2005; "Inmigracion, Estado y Ciudadania," 2006; Mamdani, 1996; Pearce, 2004; Sennett, 2003).

There are at least three processes in these strategic economic centers that are creating new forms of inequality within which we can situate the growing demand for low-wage workers, including a large share of foreign-born women. Although not necessarily mutually exclusive, it is helpful to distinguish them analytically. They are the following: (a) the growing inequality in the profit-making capacities of different economic sectors and in the earnings capacities of different types of workers and households, (b) socioeconomic polarization tendencies resulting from the organization of service industries and from the casualization of the employment relation, and (c) the production of urban marginality, in particular as a result of new structural processes of economic growth rather than those producing marginality through decline and abandonment.

What I have described is partly a conceptual landscape. The available evidence is inadequate to prove the argument in its full detail. There are, however, partial bodies of data to document some of these developments. Furthermore, it is possible to juxtapose diverse data sets, even when gathered autonomously, to document some of the interconnections presented.

Strategic Gendering in the Global Division of Labor

There is by now a fairly long-standing research and theorization effort engaged in uncovering the role of women in international economic processes. The central effort in the earlier research literature was to balance the almost exclusive and mostly implicit focus on men in international economic development research. In the mainstream development literature, these processes have often, perhaps unwittingly, been represented as neutral when it comes to gender. We can identify at least two phases in the study of gendering in the recent history of economic internationalization—all processes that continue today.

A first phase focused especially on the implantation, typically by foreign firms, of cash crops and wage labor in general. The critical analytical variable introduced by feminist scholars was the partial dependence of commercial agriculture on women subsidizing the waged labor of men through their household production and subsistence farming. Boserup (1970), Deere (1976), and many others produced an enormously rich and nuanced literature showing the variants of this dynamic (see also more generally, J. Smith & Wallerstein, 1992). Far from being unconnected, the subsistence sector and the modern capitalist enterprise were shown to be articulated through a gender dynamic; this gender dynamic in turn veiled this articulation. It was the "invisible" work of women producing food and other necessities in the subsistence economy that contributed to maintaining extremely low wages on commercial plantations and mines producing for export. Women in the so-called subsistence sector thereby contributed to the financing of the "modernized" sector through their largely unmonetized subsistence production. This contrasted sharply with the standard development literature, which represented the subsistence sector as a drain on the modern sector and as an indicator of backwardness. It was not measured in standard economic analyses.

A second phase was the scholarship on the internationalization of manufacturing production that took off in the 1970s and the feminization of the proletariat in the developing countries that came with it (Fernández-Kelly, 1982; Morokvasic, 1984; Nash & Fernández-Kelly, 1983; Potts, 1990; Sassen, 1988; Tinker, 1990; Ward, 1991). The key analytic element in this scholarship was that offshoring manufacturing jobs from developed economies under pressure of low-cost imports generated a disproportionately female workforce in the poorer countries where those jobs moved. These women had hitherto largely remained outside the industrial economy. In this regard, it is an analysis that also intersected with national issues, such as why women predominate in certain industries, notably, garment and electronics assembly, no matter what the level of development of a country (Beneria & Feldman, 1992; Milkman, 1987; see generally, Silver, 2003). From the perspective of the world economy, the formation of a feminized offshore proletariat helped firms in the developed countries in their efforts to weaken what had become increasingly strong unions and it helped firms secure competitive prices for the reimported goods assembled offshore.

Thus, the strategic sites where the international division of labor can be studied from a feminist perspective in these earlier literatures varied across different components of the economy. In the case of export-oriented agriculture, this strategic site is the nexus between subsistence economies and capitalist enterprise, where the former actually subsidize and partly enable the latter. In the case of the internationalization of manufacturing production, it is the nexus between the dismantling of an established, largely male "labor aristocracy" in major industries whose gains spread to a large share of the workforce in developed economies on one hand and the formation of a low-wage, offshore, largely female proletariat in new and old growth sectors on the other. Offshoring and feminizing this proletariat has kept it from becoming an empowered workforce, including actual union power, and prevented existing, largely male unionized workforces from becoming stronger. Introducing a gendered understanding of economic processes lays bare these connections—the existence of a gender nexus as an operational reality and an analytic category.

But, what about the sites where gendering is strategic in today's leading processes of globalization? In part, at least, a long-standing history of gendering remains a critical variable insofar as both the expansion of commercial export-oriented agriculture and the offshoring of jobs to low-wage countries continue today. They do so often with new contents and through new economic geographies. Examples are the proliferation of outsourcing activities and China's massive expansion of offshore manufacturing regions since the 1990s. In many although not all ways, these developments are predicated on dynamics identified and theorized in that earlier literature.

But continuity, albeit with different contents and a broader range of economic sectors and geographies, is only half the story.

Strategic Gendering in Today's Global Economy

Each phase in this long history of international divisions of labor has generated specific forms of strategic gendering. So has today's global phase. We can identify a mix of literatures that amounts to a third phase in the feminist analysis of economic development, even though they often contain an elaboration of the categories and findings of the previous two phases discussed previously.

One type of scholarship that uncovers the specifics of the current global phase focuses on transformations in women's subjectivities and in women's notions of community of membership. As did the older development literature, today's literature on economic globalization tends to assume gender neutrality. And, it tends to proceed as if questions of subjectivity somehow were not part of the diverse workforces involved. Among other publications, the special issue on globalization and feminism of the *Indiana Journal of Global Legal Studies* ("Feminism and Globalization," 1996) addresses the effects of economic globalization on the partial unbundling of sovereignty and what this means for the emergence of cross-border feminist agendas, the place of women and of feminist consciousness in the new Asian mode of implementing advanced global capitalism, and the global spread of a set of core human rights and its power to alter how women themselves understand their position in various potential communities of membership (on these issues, see also Barlow, 2003; Consalvo & Paasonen, 2002; Kothari, 2006; Lucas, 2005; Moghadam, 2005; Naoki Sakai, de Bary, & Iyotani, 2005; Nash, 2005; Ong, 1999). Among the richest literatures, and most pertinent to the issues discussed in this article, is a feminist scholarship specifically focused on female immigrants, including research on how international migration alters gender patterns, including how the formation of transnational households can empower women (Chaney & Castro, 1988; Grasmuck & Pessar, 1991; Hondagneu-Sotelo, 1994, 2003; Parreñas, 2001; Pessar & Mahler, 2003; Ribas-Mateos, 2005; Tait, 2005).[1]

Far more specific is the question of strategic gendering in the leading global economic sectors. Research on the particular instances where gendering is actually strategic for such sectors is still rare (Bose & Acosta-Belen, 1995; Cagatay & Ozler, 1995; Chant & Kraske, 2002; Ehrenreich & Hochschild, 2003; Parreñas, 2001; Pyle & Ward, 2003; Salzinger, 2003; Sassen, 1996; Ward, 1991; Zlolniski, 2006). The cross-border circuits examined in this article are instances in which the role of women, and especially the condition of being a migrant woman, emerges as crucial to the formation of novel economic arrangements, notably, particular components of global cities and of the alternative political economies posited in the preceding section.

Strategic gendering in the global city occurs through both the sphere of production and that of social reproduction (Sassen, 2001). The critical background variable is that these cities are a crucial infrastructure for the specialized servicing, financing, and management of global economic processes. It means that all key components of this infrastructure need to function like clockwork.

One such key component is the professional workforce. Gendering becomes strategic in one specific function of globalizing firms: cultural brokering. Professional women are emerging as a key type of worker insofar as they are considered good at building trust across sharp cultural boundaries and differences (e.g., Fisher, 2006; see also Hindman, 2007, for a view from the expatriate side of professionals). The globalizing of a firm's or a market's operations entails opening up domains (sectors, countries, the world of consumers) to new kinds of businesses, practices, and norms. This kind of cultural brokering is critical, especially given the mistrust and the resistances that had to be overcome to implement economic globalization.

Secondly, gendering becomes strategic in the global city for the social reproduction of the high-level professional workforce. There are two reasons for this. One is the growing demand for female professionals and the other is the strong preference among both male and female professionals for living in the city, given long work hours and very demanding responsibilities at work. The result is a proliferation in cities of what I like to refer to as "the professional household without a 'wife.'" What matters here is that the absent "wife" is a factor precisely at a time when professional households need to function like clockwork, just like the infrastructure in global cities, because they are crucial to the functioning of globalized sectors. Indeed, I argue that these households should be reconceptualized as part of that infrastructure and the low-wage domestic workers as strategic infrastructure maintenance workers.

This would extricate those households from the classical patriarchy-centered paradigm for conceptualizing households and from the new paradigm of the "serving classes." There is a growing scholarship that has examined the return of the so-called serving classes in all the global cities around the world, made up largely of immigrant and migrant women (e.g., Chang, 1998; Parreñas, 2001; Ribas-Mateos, 2005; see generally, Ehrenreich & Hochschild, 2003). The demands placed on the top-level professional and managerial workforce in global cities are such that the usual modes of handling household tasks and lifestyle are inadequate.

Most of the research on this subject has focused on the poor working conditions, exploitation, and multiple vulnerabilities of these household workers. This is a fact. But analytically, what matters here is the strategic importance of well-functioning professional households for the leading globalized sectors in these cities and, hence, the importance of this new type of serving class. For a variety of reasons developed elsewhere (Sassen, 2001), immigrant and minoritized women are a favored source for this type of work. Theirs is a mode of economic incorporation that makes their crucial role invisible; being immigrant or minoritized citizens facilitates breaking the nexus between being workers with an important function in the global information economy, that is to say, in leading industries, and the opportunity to become an empowered workforce, as has historically been the case in industrialized economies. In this sense, the category *immigrant women* emerges as the systemic equivalent of the offshore proletariat.

IMF Programs and the Need for Alternative Survival Circuits

The second site considered in this article is the alternative political economy emerging out of a mix of major global trends that become concrete in many of the struggling underdeveloped economies. One of these concrete forms is the formation of alternative survival circuits for individuals, firms, and governments. Although many of these circuits do not generally get coded as having anything to do with the global economy, I argue that they are to some extent localizations of that global economy, which in their aggregate then constitute alternative political economies. In the next section, I give a first empirical specification of some of these localizations. Because the data are inadequate, this is a partial specification. Yet, it should serve to illustrate some of the key dimensions.

Debt and debt servicing problems have become a systemic feature of the developing world since the 1980s. They are also a systemic feature inducing the formation of the new global circuits that concern me here. The effect on women and on the feminization of survival is mediated through the particular features of this debt rather than the fact of debt per se. Among these particular features are cuts in specific government programs and the tendency for households to have to absorb the cuts of male unemployment. It is with this logic in mind that this section examines various features of government debt in developing economies.

Much research on poor countries documents the link between hyperindebted governments and cuts in programs for women and children, notably, education and health care, both clearly investments necessary to ensure a better future (for overviews of the data, see UNDP, 2005, 2008; World Bank, 2005b, 2006). There is by now a large literature in many different languages; it also includes a vast number of limited-circulation items produced by various activist and support organizations. An older literature on women and debt during the first generation of SAPs in the 1980s in several developing countries in response to growing government debt also documents the disproportionate burden that these programs put on women (Beneria & Feldman, 1992; Bose & Acosta-Belen, 1995; Bradshaw, Noonan, Gash, & Buchmann, 1993; Moser, 1989; Tinker, 1990; Ward, 1991; Ward & Pyle, 1995).[2] Unemployment of women themselves, but also more generally of the men in their households, has added to the pressure on women to find ways to ensure household survival (Buechler, 2007; Chossudovsky, 1997; Elson, 1995; Lucas, 2005; Rahman, 1999; Standing, 1999). Subsistence food production, informal work, emigration, and prostitution have all become survival options for women and, by extension, often for their households (Alarcon-Gonzalez & McKinley, 1999; Buchmann, 1996; Cagatay & Ozler, 1995; Jones, 1999; Lucas, 2005; Pyle & Ward, 2003; Safa, 1995).

Heavy government debt and high unemployment have brought with them the need to search for survival alternatives not only for people but also for governments and enterprises. And, a shrinking regular economy in a growing number of poor countries has brought with it a widened use of illegal profit making by enterprises and organizations. Thus, we can say that through their contribution to heavy debt burdens, SAPs have played an important role in the formation of countergeographies of survival, profit making, and government revenue enhancement.[3] Furthermore, economic globalization has provided an institutional infrastructure for cross-border flows and global markets, thereby facilitating the operation of these countergeographies on a global scale. Once there is an institutional infrastructure for globalization, processes that have basically operated at the national or regional level can scale up to the global level even when this is not necessary for their operation. This would contrast with processes that are by their very nature global, such as the network of financial centers underlying the formation of a global capital market.

Even before the economic crises of the mid-1990s, the debt of poor countries in the South had grown from US$507 billion in 1980 to US$1.4 trillion in 1992. Debt service payments alone had increased to $1.6 trillion, more than the actual debt. According to some estimates, from 1982 to 1998, indebted countries paid four times their original debts, and at the same time, their debt stocks went up by four times (Toussaint, 1999). These countries had to use a significant share of their total revenues to service these debts. Of the 41 highly indebted poor countries (HIPCs), 33 paid $3 in debt service payments to the North for every $1 in development assistance. For years, many of these countries paid 20% to 25% of their export earnings for interest on their debt (Ambrogi, 1999; see Table 1). In 2005, before the debt cancellations of early 2006, these debt servicing levels remained high as a share of gross domestic product (GDP) for most of these countries; by the end of 2006, debt servicing levels had declined but were still significantly higher than net foreign direct investment (see Table 1).

The debt burden that built up in the 1980s and especially the 1990s inevitably has had large repercussions on state spending composition. This is well illustrated in the case of Zambia, Ghana, and Uganda, three countries the global regulators (notably, the World Bank and the IMF) see as cooperative, responsible, and successful at implementing SAPs. A few examples of expenditure levels paint a far more troubling picture. At the height of these programs, the late 1990s, Zambia's government paid \$1.3 billion in debt but only \$37 million for primary education; Ghana's social expenses, at \$75 million, represented 20% of its debt service; and Uganda paid \$9 per capita on its debt and only \$1 for health care (Ismi, 1998). In 1994 alone, these three countries remitted \$2.7 billion to bankers in the North. Africa's payments reached \$5 billion in 1998, which means that for every \$1 in aid, African countries paid \$1.40 in debt service in 1998. In many of the HIPCs, debt service ratios to gross national product (GNP) have long exceeded sustainable limits; many are far more extreme than what were considered unmanageable levels in the Latin American debt crisis of the 1980s (OXFAM, 1999). Debt-to-GNP ratios were especially high in Africa, where they stood at 123% in the late 1990s, compared with 42% in Latin America and 28% in Asia. Generally, the IMF asks HIPCs to pay 20% to 25% of their export earnings toward debt service. By contrast, in 1953, the Allies cancelled 80% of Germany's war debt and only insisted on 3% to 5% of export earnings debt service. Relatively favorable conditions were also applied to Central European countries in the 1990s.

By 2003 (see Table 1), debt service as a share of exports only (not overall government revenue) ranged from extremely high levels for Zambia (29.6%) and Mauritania (27.7%) to significantly lowered levels compared with the 1990s for Uganda (down from 19.8% in 1995 to 7.1% in 2003) and Mozambique (down from 34.5% in 1995 to 6.9% in 2003).

These features of the current situation suggest that many of these countries cannot get out of their indebtedness through such strategies as SAPs. Generally, IMF debt management policies from the 1980s onward can be shown to have worsened the situation for the unemployed and poor (Ambrogi, 1999; Ismi, 1998; OXFAM, 1999; UNDP, 2005, 2008; Ward & Pyle, 1995). The 1997 financial crisis in the rich and dynamic countries of Southeast Asia shows us that accepting the types of loans offered, and indeed pushed, by private lenders can create unmanageable debt levels also among rich and high-growth economies, bringing bankruptcies and mass layoffs to a broad range of enterprises and sectors. Even a powerful economy such as South Korea found itself forced into SAPs, with attendant growth in unemployment and poverty due to widespread bankruptcies of small- and medium-sized firms catering to both national and export markets (Olds, Dicken, Kelly, Kong, & Yeung, 1999).

Table 1
Highly Indebted Poor Countries (HIPCs): Exports, Foreign Investment, and Debt Service as Share of Gross Domestic Product (GDP), 1995-2006

Country	Trade Export of Goods and Services (% of GDP)				Foreign Direct Investment (% of GDP)			Debt Service Total (% of GDP)			
Year	1995	2003-2004	2005	2006	1995	2003	2006[a]	1995	2003	2005	2006
1. Benin	20.2	13.7	13	/	0.4	1.4	0.5	6.8	6.9	7.4	na
2. Bolivia	/	/	36	42	/	/	–3.0	/	/	14.3	8.5
3. Burkina Faso	12.4	8.6	10	11	0.4	0.3	0.4	12.2[b]	11.2	na	na
4. Ethiopia	13.6	16.9	16	16	0.2	0.9	2.4	18.4	6.8	4.1	6.8
5. Ghana	/	/	36	39	/	/	1.0	/	/	7	4.9
6. Guyana	/	/	/	/	9.8	/	/	88	na		
7. Honduras	/	/	88	na	/	/	5.6	/	/	3.8	3.4
8. Madagascar	24.1	28.4	27	30	0.3	0.2	0.6	14.9[c]	6.1	5.7	na
9. Mali	21.2	26.4	27	30	4.5	3.0	3.0	13.4	5.8	5.7	na
10. Mauritania	49.1	40.2	36	55	0.7	18.1	6.2	22.9	27.7[d]	na	na
11. Mozambique	15.2	22.8	33	41	1.9	7.8	1.6	34.5	6.9	3.8	1.9
12. Nicaragua	/	/	29	31	/	/	4.9	/	/	6.7	4.1
13. Niger	17.2	15.5	15	na	0.4	1.1	0.4	16.7	na	5.9	na
14. Rwanda	5.2	8.6	11	12	0.2	0.3	0.4	20.4	14.6	8.1	9.6
15. Senegal	34.5	27.8	27	26	0.7	1.2	0.7	16.8	8.7	na	na
16. Tanzania	/	/	24	24	/	/	3.9	/	/	4.3	3.4
17. Uganda	na	na	13	15	2.1	3.1	2.9	19.8	7.1	9.3	4.8
18. Zambia	36.0	20.9	34	38	2.8	2.3	3.6	47.0[e]	29.6	10.9	3.6

Note: / = countries eligible for HIPC but not listed by World Bank and United Nations Development Programme as Less Developed Countries (LDCs); na = not available.
a. There are an additional 20 countries eligible for HIPC but have not yet met the necessary conditions.
b. 1994.
c. 1995-1997.
d. 1998.
e. 1997.
Source: United Nations Development Programme (2005, 2008), World Bank (2005a, 2005b).

The US$120 billion rescue package brought with it the introduction of SAP provisions, which reduce the autonomy of the governments. On top of that, most of the funds went to compensate the losses of foreign institutional investors rather than to help address the poverty and unemployment resulting from the crisis.

It is in this context that alternative survival circuits emerge. The context can be specified as a systemic condition comprising a set of particular interactions among high unemployment, poverty, widespread bankruptcies, and shrinking state resources (or allocation of resources) to meet social needs. The key implication is that the feminization of survival goes well beyond households; it extends to firms and governments. There are new profit-making and government revenue-making possibilities built on the backs of migrants, and women migrants in particular. Next, I briefly examine the question of immigrant remittances as one lens into the broader subject of the formation of alternative political economies and how these unsettle older notions of an international division of labor.

Labor Exports and Remittances: One Alternative Survival Source

Immigrants enter the macro level of development strategies through the remittances they send back home.[4] These represent a major source of foreign exchange reserves for the government in a good number of countries. Although the flows of remittances may be minor compared with the massive daily capital flows in global financial markets, they can matter enormously to developing or struggling economies. The World Bank (2006) estimated that remittances worldwide reached US$230 billion in 2005, up from US$70 billion in 1998; of this total amount, US$168 billion went to developing countries, up 73% over 2001; in 2007, remittances reached US$318 billion, of which US$240 billion went to developing countries (Orozco & Ferro, 2008). Immigration country firms can also benefit. Thus, the Inter-American Development Bank (IADB) produced a series of detailed studies that show that in 2003 immigrant remittances generated US$2 billion in handling fees for the financial and banking sector on the US$35 billion sent back home by Hispanics in the United States (see also Robinson, 2004). The IADB also found that for Latin America and the Caribbean as a whole, in 2003, these remittance flows exceeded the combined flows of all foreign direct investment and net official development assistance (see generally, Orozco, Lowell, Bump, & Fedewa, 2005; and the quarterly issues of *Migrant Remittances*[5]).

To understand the significance of these figures, they should be related to the GDP and foreign currency reserves in the specific countries involved rather than compared to the global flow of capital. For instance, in the Philippines, a key sender of migrants in general and of women for the entertainment industry in particular, remittances were the third largest source of foreign exchange over the past several years.

In Bangladesh, another country with significant numbers of its workers in the Middle East, Japan, and several European countries, remittances represent about a third of foreign exchange. In Mexico, remittances have long been the second source of foreign currency, just below oil and ahead of tourism, and are larger than foreign direct investment (World Bank, 2006), though early 2008 saw a decline in total inflows (Orozco & Ferro, 2008; see also for details about the money generated through illegal trafficking, Kyle & Koslowski, 2001; Naim, 2006; U.S. Department of State, 2004).

Table 2 provides an overall distribution of remittance flows by economic development level and by region. Clearly, remittances are not a particularly significant factor for most countries. It underlines the specificity of the geographies of migration; this is critical in my own research because of its political implications—most people do not want to move to another country. As an aggregate for all countries in each category, we can see that remittances are 0.2% of GDP in high-income Organization for Economic Cooperation and Development (OECD) countries, 3.7% in middle-income countries, and 4.1% in the Middle East and North Africa. The figures change dramatically when we single out countries where remittances are a high share of GDP (see Table 3). Remittances are more than a fourth of GDP in several poor or struggling countries: Tonga (31.1%), Moldova (27.1%), Lesotho (25.8%), Haiti (24.8%), Bosnia and Herzogovina (22.5%), and Jordan (20.5%). However, if we rank countries by total value of remittances, the picture again changes sharply (see Table 4). The top remittance recipient countries in 2004 include rich countries such as France, Spain, Germany, and the United Kingdom. The top recipients are India (US$21.7 billion), China ($21.3 billion), Mexico ($18.1 billion), France ($12.7 billion), and the Philippines ($11.6 billion).

Governments often see exporting workers and receiving their remittances as means of coping with unemployment and foreign debt. Although the second might be a fact, the first is not; furthermore, emigration may be contributing to slowing down development as the most entrepreneurial and often well educated leave. Some countries have developed formal labor export programs. Systemically, this fits into the reorganizing of the world economy that began in the 1970s and took off in the 1980s. Probably the strongest examples are South Korea and the Philippines (Sassen, 1988). In the 1970s, South Korea developed extensive programs to promote the export of workers as an integral part of its growing overseas construction industry, initially to the Middle Eastern countries of the Organization of the Petroleum Exporting Countries (OPEC) and then worldwide. As South Korea entered its own economic boom, exporting workers became a less necessary and attractive option. In contrast, the Philippine government, if anything, expanded and diversified the concept of exporting its citizens as a way of dealing with unemployment and securing needed foreign exchange reserves through their remittances. Thailand started a campaign in 1998 after the 1997-1998 financial crises to promote migration for work and recruitment of Thai workers by firms overseas. The government sought to export workers to the Middle East, the United States, Great Britain, Germany, Australia,

Table 2
Remittance Inflows by Level of Development and Region, 2002-2005 (US$ Millions)

	2002	2003	2004 (Estimate)	2005 (Estimate)	Remittances as a Share of Gross Domestic Product, 2004 (%)
All developing countries	113,416	142,106	160,366	166,898	2.0
Low-income countries	33,126	41,789	43,890	45,064	3.7
Middle-income countries	80,290	100,317	116,476	121,834	1.7
Lower middle-income countries	57,305	75,520	83,475	88,021	2.2
Upper middle-income countries	22,985	27,797	33,001	33,813	1.1
High income Organization for Economic Cooperation and Development	52,076	57,262	64,260	64,260	0.2
East Asia and Pacific	27,168	35,797	40,858	43,138	1.7
Europe and Central Asia	13,276	15,122	19,371	19,892	1.1
Latin America and Caribbean	28,107	34,764	40,749	42,419	2.0
Middle East and North Africa	15,551	18,552	20,296	21,263	4.1
South Asia	24,155	31,109	31,396	32,040	3.6
Sub-Saharan Africa	5,159	6,762	7,696	8,145	1.5
World	166,217	200,216	225,810	232,342	0.6

Source: World Bank (2006).

and Greece. Sri Lanka's government has tried to export another 200,000 workers in addition to the 1 million it already has overseas; for example, in 1998 Sri Lankan women remitted US$880 million, mostly from their earnings as maids in the Middle East and Far East. In the 1970s, Bangladesh was already organizing extensive labor export programs to the OPEC countries of the Middle East. These efforts continue and along with the individual migrations to these and other countries, notably, the United States and Great Britain, are a significant source of foreign exchange. Its workers annually remitted an estimated US$1.4 billion in the second half of the 1990s (David, 1999). In 2007, 10 years later, the 5 million Bengladeshi working abroad sent more than US$5 billion dollars (Orozco & Ferro, 2008).

The Philippines is the country with the most developed labor export program. One indication is the US$14.3 billion remitted by overseas workers in 2007 (Orozco & Ferro, 2008). The Philippine government has played an important role in the emigration of Filipino women to the United States, the Middle East, and Japan through the Philippines Overseas Employment Administration (POEA). Established in 1982, it organized and oversaw the export of nurses and maids to high-demand areas in the world. High foreign debt and high unemployment combined to make this an attractive policy. The various labor-importing countries welcomed this policy for their own

Table 3
Countries With Highest Remittance Inflows as Share of Gross Domestic Product (GDP), 2002-2005 (US$ Millions)

Country	2002	2003	2004 (Estimate)	2005 (Estimate)	Remittances as a share of GDP, 2004 (%)
1. Tonga	66	66	66	66	31.1
2. Moldova	323	486	703	703	27.1
3. Lesotho	194	288	355	355	25.8
4. Haiti	676	811	876	919	24.8
5. Bosnia/Herzegovina	1,526	1,745	1,824	1,824	22.5
6. Jordan	2,135	2,201	2,287	2,287	20.4
7. Jamaica	1,260	1,398	1,398	1,398	17.4
8. Serbia/Montenegro	2,089	2,661	4,129	4,650	17.2
9. El Salvador	1,954	2,122	2,564	2,564	16.2
10. Honduras	718	867	1,142	1,142	15.5
11. Philippines	7,381	10,767	11,634	13,379	13.5
12. Dominican Republic	2,194	2,325	2,471	2,493	13.2
13. Lebanon	2,500	2,700	2,700	2,700	12.4
14. Somoa	45	45	45	45	12.4
15. Tajikistan	79	146	252	252	12.1
16. Nicaragua	377	439	519	519	11.9
17. Albania	734	889	889	889	11.7
18. Nepal	678	785	785	785	11.7
19. Kiribati	7	7	7	7	11.3
20. Yemen, Rep.	1,294	1,270	1,283	1,315	10.0

Source: World Bank (2006).

specific reasons. The OPEC countries of the Middle East saw the demand for domestic workers grow sharply after the 1973 oil boom. Confronted with a shortage of nurses, a profession that demanded years of training yet garnered rather low wages and little prestige or recognition, the United States passed the Immigration Nursing Relief Act of 1989, which allowed for the import of nurses; about 80% of the nurses brought in under the new act were from the Philippines (Yamamoto, 2000). The Philippine government also passed regulations that permitted mail-order bride agencies to recruit young Filipinas to marry foreign men as a matter of contractual agreement.[6] The rapid increase in this trade was due to the organized effort by the government.[7] Among the major clients were the United States and Japan. Japan's agricultural communities were a key destination for these brides given enormous shortages of people and especially young women in the Japanese countryside when the economy was booming and demand for labor in the large metropolitan areas was extremely high. Municipal governments made it a policy to accept Filipino brides.

The largest number of Filipinas going through these channels works overseas as maids, in particular in other Asian countries (Chin, 1997; Parreñas, 2001; Yamamoto,

Table 4
Top 20 Remittance Recipient Countries, 2004 (US$ Billions)

Country	Billions of Dollars
India	21.7
China	21.3
Mexico	18.1
France	12.7
Philippines	11.6
Spain	6.9
Belgium	6.8
Germany	6.5
United Kingdom	6.4
Morocco	4.2
Serbia	4.1
Pakistan	3.9
Brazil	3.6
Bangladesh	3.4
Egypt, Arab Republic	3.3
Portugal	3.2
Vietnam	3.2
Colombia	3.2
United States	3.0
Nigeria	2.8

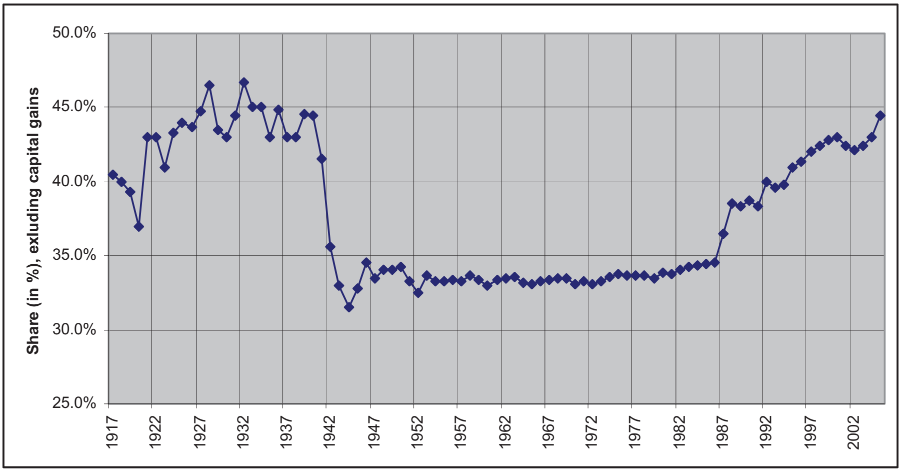
Source: International Monetary Fund (2004), World Bank (2006).

2008; Yeoh, Huang, & Gonzalez, 1999). The second largest group and the fastest growing is entertainers, who go largely to Japan (Sassen, 2001; Yamamoto, 2008). In the 1980s, Japan passed legislation that permitted the entry of "entertainment workers" into its booming economy marked by rising expendable incomes and strong labor shortages. The rapid increase in the numbers of migrants going as entertainers is largely due to the more than 500 "entertainment brokers" in the Philippines operating outside the state umbrella, even though the government still benefits from the remittances of these workers. These brokers work to provide women for the sex industry in Japan, where it is basically supported or controlled by organized gangs rather than going through the government-controlled program for the entry of entertainers. These women are recruited for singing and entertaining, but frequently—perhaps mostly—they are forced into prostitution.

Inequality in Profit-Making and Earnings Capacities

Inequality in the profit-making capacities of different sectors of the economy and in the earnings capacities of different types of workers has long been a feature of

Figure 1
Top Decile Income Share, 1917-2005

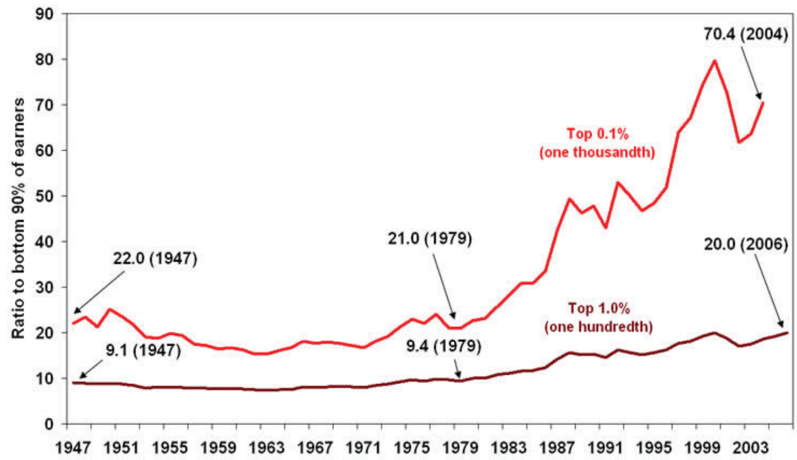


Note: Income is defined as market income but excludes capital gains. From "Unfettered Markets, Income Inequality, and Religious Values," by L. Mishel, 2004, *Viewpoints*. Retrieved July 26, 2008, from www.epi.org/content.cfm/webfeatures_viewpoints_moral_markets_presentation. Copyright 2008 by The Economic Policy Institute. Reprinted with permission.

advanced economies.[8] But, what we see happening today takes place on an order of magnitude that distinguishes current developments from those of the postwar decades. The extent of inequality and the systems in which it is embedded and through which these outcomes are produced are engendering massive distortions in the operations of various markets, from investment to housing and labor.

Of all the highly developed countries, it is the United States where these deep structural trends are most legible. National-level data for the United States show this growth in inequality. For instance, economic growth from 2001 to 2005 was high but very unequally distributed. Most of it went to the upper 10% and especially the upper 1% of households. The rest, that is, 90% of households, saw a 4.2% decline in their market-based incomes (Mishel, 2007). If we disaggregate that 90%, the size of the loss grows as we descend the income ladder. Since the beginning of the so-called economic recovery in 2001, the income share of the top 1% grew 3.6 percentage points to 21.8% in 2005, gaining $268 billion of total U.S. household income. In contrast, that of the lower 50% of U.S. households fell by 1.4 percentage points to 16% in 2005, amounting to a loss of $272 billion in income since 2001 (see Figure 1).

Figure 2
Income Ratio of Highest Earners to Bottom 90%



Note: From "Surging Wage Growth for Topmost Sliver," by L. Mishel, 2008, *Economic Snapshots*. Retrieved July 26, 2008, from http://www.epi.org/content.cfm/webfeatures_snapshots_20080618. Copyright 2008 by The Economic Policy Institute. Reprinted with permission.
Source: Kopczuk, Saez, and Song (2007).

We have now also understood that it does not have to be that way. In the postwar decades, wages at all levels of the economy grew (Mishel, 2008). Figure 2 shows that income share of the top 10% (excluding capital gains) stood at a little over 30% compared to almost 45% after 2000. The ratio of the wage income of the top 1% of earners to that of the bottom 90% more than doubled between 1979 and 2006, increasing from a ratio of 9.4 to 1 to 19.9 to 1.

Two of the major processes lying behind the possibility of the increased inequality in profit-making and earnings capacities are an integral part of the advanced information economy. One is the ascendance and transformation of finance, in particular through securitization, globalization, and the development of new telecommunications and computer networks technologies. The other is the growing service intensity in the organization of the economy, which has vastly raised the demand for services by firms and households.[9] Insofar as there is a strong tendency toward polarization in the technical levels and prices of services as well as in the wages and salaries of workers in the service sector, the growth in the demand for services contributes to polarization and via cumulative causation, to reproducing these inequalities.

The super–profit-making capacity of many of the leading service industries is embedded in a complex combination of new trends: technologies that make possible the hypermobility of capital on a global scale; market deregulation, which maximizes the implementation of that hypermobility; financial inventions such as securitization, which liquefy hitherto unliquid or relatively unliquid capital and allow it to circulate faster and hence make additional profits; and the growing demand for services in all industries along with the increasing complexity and specialization of many of these inputs, which contribute to their valorization and often overvalorization, as illustrated in the unusually high salary increases beginning in the 1980s for top-level professionals.[10] Globalization further adds to the complexity of these services, their strategic character, their glamour, and therewith, their overvalorization.

The ascendance of finance and specialized services, concentrated in large cities in particular, creates a critical mass of firms with extremely high profit-making capabilities. These firms contribute to bidding up the prices of commercial space, industrial services, and other business needs and thereby make survival for firms with moderate profit-making capabilities increasingly precarious. Among the latter, informalization of all or some of a firm's operations can emerge as one of the more extreme responses, further contributing to polarization in the urban economy. More general, we see a segmentation between high profit-making firms and relatively modest profit-making firms.

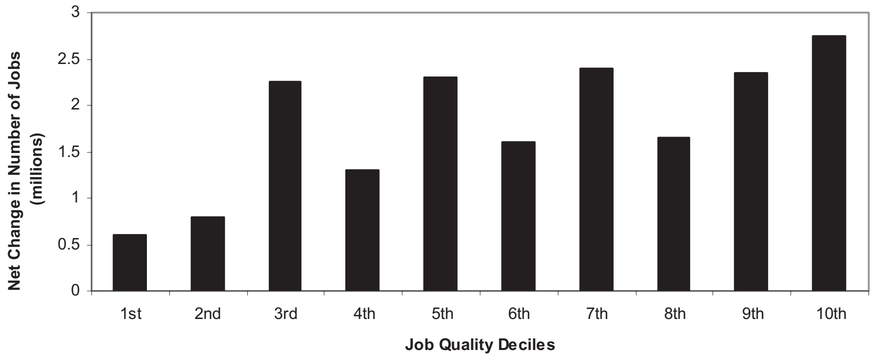
One of the key outcomes of this transformation has been the ascendance of expertise and specialization in the organization of the economy. This ascendance of expertise in economic organization in turn has contributed to the overvalorization of specialized services and professional workers. And, it has contributed to marking many of the other types of economic activities and workers as unnecessary or irrelevant to an advanced economy. As I have sought to show at length elsewhere (Sassen, 2001, 2006a), many of these other jobs are in fact an integral part of internationalized economic sectors but not represented as such or valued (i.e., waged) as such. This contributes to creating a vast number of both low-income households and very-high-income households (Lardner & Smith, 2005; Lewis Mumford Center, 2000; Newman, 1999; Sassen, 2006a).

The growing service intensity in the organization of the economy, which has vastly raised the demand for services by firms in all economic sectors, has contributed to the vast expansion of an intermediate economy of firm-to-firm sales and purchases. For instance, the gross output of finance, insurance, and real estate (FIRE) overall (including for firms and for consumers) grew by 7.6% a year from 1999 to 2003 in the United States, almost double the 4.1% overall annual growth rate for those years. But, if we only measure what was sold to other firms and markets in FIRE, the annual growth rate jumps to 11.8%, and if we break it down even further and just measure securities and linked trading, we reach 34%. Similar, although less dramatic, wholesale trade as an intermediate input grew by 9.4% a year from 1999 to 2003 versus 4.4% as gross output. Overall, annual private services production as an intermediate input grew by 9% versus 6.2% gross output growth. Also, sectors such as construction are doing better as an intermediate sector (7.2% average growth rate from 1998 to 2003) than as a final consumer sector (4.3%). (For details, see Bureau of Economic Analysis, 2004, and especially Table 12A.) This intermediate economy of services for firms, both specialized corporate and industrial services, has been a key dynamic in the growth of the demand for professionals, which has been central to the new type of economy we see in cities. At the top level of the urban system, especially in global cities, we see the mix of outcomes discussed in this article. In cities at lower levels of the urban system, catering to more standardized and national rather than global firms, we see a parallel development, although the earnings and profits are not as dramatic as in global cities.

Among the major systemic tendencies in the organization of the service sector contributing to polarization is the disproportionate grouping of service industries at either end of the technology spectrum. Service industries that can be described as information and knowledge intensive have generated a significant share of all new jobs created over the past 15 years in developed economies, whereas most of the other jobs created in the service sector fall at the other extreme. For instance, the two broad occupational categories projected by the U.S. Bureau of Labor Statistics to increase are professional specialty occupations and service occupations. The Bureau's data and projections show that the incomes in these two occupations in the 1990s and into the 21st century are on opposite ends of the earnings spectrum, with earnings for service workers about 40% below the average for all occupational groups. In contrast, public sector low-wage jobs, which are better paid and have more fringe benefits, saw a fall in their share of all new jobs and are not expected to reverse this trend (for more micro-level and ethnographic studies, see Munger, 2002; Russell Sage Foundation, 1998).

It is not easy to capture all these dimensions with numbers. But some of the available data give us a macro-level picture of key patterns. The data show clearly a strong trend not only toward job income polarization but also toward quality polarization (Figures 3 and 4). Wright and Dwyer (2007) and Milkman and Dwyer (2002) examined data about the quality of new job growth in the United States comparing the 1960s to the 1990s. This is an analysis of newly generated jobs, an issue that was also central to my analysis on the emergent trend for growth sectors to produce very good and very bad jobs as part of advanced capitalism. The data show that in the 1960s the economy was marked by a fairly distributed job growth across all income levels (see Figure 3). This is in sharp contrast to the 1990s when growth feeds the extremes of the quality distribution and far fewer middle-level jobs (see Figure 4). Growth is concentrated at the bottom 20% of the quality spread and at the top 20%.

Figure 3
U.S. Job Growth by Job Quality Decile, Full-Time Workers Ages 18 to 64, 1963-1970



Note: From *Growing Apart: The "New Economy" and Job Polarization in California, 1992-2000* (p. 12), by R. Milkman and R. Dwyer, 2002, Los Angeles: University of California Institute for Labor and Employment, Multi-Campus Research Unit. Reprinted with permission.

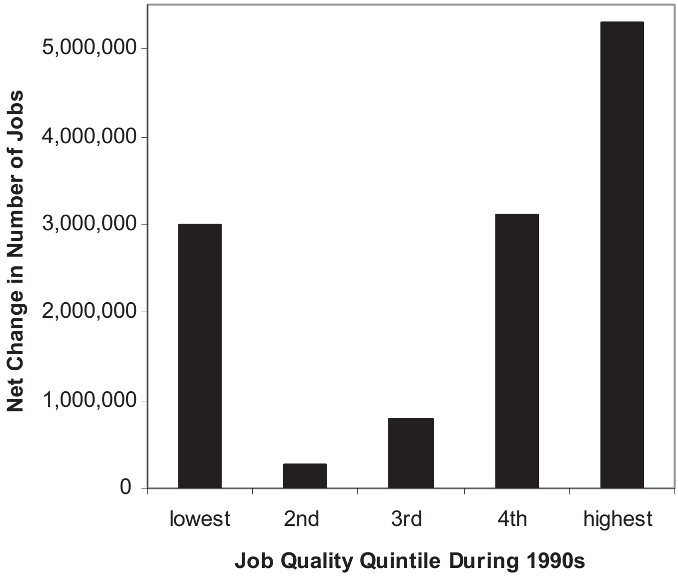
There is a "deep trough in job expansion in the middle quintile of the job quality distribution in the 1990s" (Wright & Dwyer, 2007, p. 310).

Key issues are the types of jobs being created and the systemic tendencies organizing the service sector as this sector is setting the terms of employment for today and tomorrow. It is clear that jobs and organizations are overlapping and mutually shaping factors. However, they do not overlap completely: The labor markets associated with a given set of technologies can in principle vary considerably and contain distinct mobility paths for workers. But today, sector organization, types of jobs, and labor market organization are all strengthening the tendencies toward polarization.

Producing a Demand for Low-Wage Service Workers in Growth Sectors

Cities are a nexus where many of the new organizational tendencies come together. They are also the sites for a disproportionate concentration of both the top and bottom levels of the occupational distribution. The new employment regimes that have emerged in major cities of highly developed countries since the 1980s have reconfigured the job supply and employment relations. Much analysis of postindustrial

Figure 4
U.S. Job Growth by Job Quality Decile, Full-Time Workers Ages 18 to 64, 1992-2000



Note: From "The Patterns of Job Expansions in the USA: A Comparison of the 1960s and 1990s," by E. O. Wright and R. E. Dwyer, 2007, *Socio-Economic Review*, *1*, p. 302. Reprinted with permission.

society and advanced economies generally posits a massive growth in the need for highly educated workers. This would suggest sharply reduced employment opportunities for workers with low educational levels in general and for immigrants in particular. But, detailed empirical studies of major cities in highly developed countries show ongoing demand for low-wage workers and a significant supply of old and new jobs requiring little education and paying low wages.

One critical distinction for the concerns in this article is whether this job supply (a) is merely or largely a residual partly inflated by the large supply of low-wage workers or (b) is mostly part of the reconfiguration of the job supply and employment relations that are in fact a feature of advanced service economies, that is to say, a systemic development that is an integral part of such economies. There are no precise measures, and a focus on the jobs by themselves will hardly illuminate the issue. We know in general what they are: low wage, requiring little education, and undesirable, with no advancement opportunities and often few if any fringe benefits. We need to go beyond the characteristics of these jobs and workers and get at the growth dynamics in advanced service economies, especially systemic outcomes in terms of labor demand. What looks backward may well be part of today's advanced economies.

In the day-to-day work of the leading sectors in global cities, a large share of the jobs involved are low paid and manual, many held by immigrant women. Even the most advanced professionals will require clerical, cleaning, and repair workers for their state-of-the-art offices, and they will require truckers to bring the software, but also the toilet paper. Although these types of workers and jobs are never represented as part of the global economy, they are in fact part of the infrastructure of jobs involved in running and implementing the global economy, including such an advanced form of it as international finance. The specific trends discussed in the following are part of a larger reconfiguring of employment in global cities of the North and increasingly also in those of the Global South (e.g., Buechler, 2007; Gugler, 2004; Koval et al., 2006; Parnreiter, 2002; Schiffer, 2002; Venkatesh, 2006).

High-level corporate services, from accounting to decision-making expertise, are not usually analyzed in terms of their work process. Such services are usually seen as a type of output (i.e., high-level technical knowledge). Thus, insufficient attention has gone to the actual array of jobs, from high paying to low paying, involved in the production of these services. A focus on the work process brings to the fore the labor question. Information outputs need to be produced, and the buildings that hold the workers need to be built and cleaned. The rapid growth of the financial industry and of highly specialized services generates not only high-level technical and administrative jobs but also low-wage unskilled jobs. In my research on New York and other cities, I have found that between 30% and 50% of the workers in the leading sectors are actually low-wage workers (see chapters 8 and 9, and Tables 8.13 and 8.14 in particular, of Sassen, 2001). These trends are part of a larger reconfiguring of employment in global cities of the North and increasingly also in those of the Global South (e.g., Buechler, 2007; Gugler, 2004; Parnreiter, 2002; Schiffer, 2002).

Furthermore, the similarly state-of-the-art lifestyles of the professionals in these sectors have created a whole new demand for a range of household workers, in particular maids and nannies. The presence of a highly dynamic sector with a polarized income distribution has its own effect on the creation of low-wage jobs through the sphere of consumption (or more general, social reproduction). The rapid growth of industries with a strong concentration of high- and low-income jobs has assumed distinct forms in the consumption structure, which in turn has a feedback effect on the organization of work and the types of jobs being created. The expansion of the high-income workforce in conjunction with the emergence of new lifestyles have led to a process of high-income gentrification that rests, in the last analysis, on the availability of a vast supply of low-wage workers.[11] High-price restaurants, luxury housing, luxury hotels, gourmet shops, boutiques, hand laundries, and special cleaning services are all more labor intensive than their lower price equivalents.

This has reintroduced—to an extent not seen in a very long time—the whole notion of the serving classes in contemporary high-income households.[12] The immigrant woman serving the White middle-class professional woman has replaced the traditional image of the Black female servant serving the "White master." All of these trends give these cities an increasingly sharp tendency toward social polarization.

We are beginning to see the formation of global labor markets at the top and at the bottom of the economic system. At the bottom, much of the staffing occurs through the efforts of individuals, largely immigrants, although we see an expanding network of organizations getting involved. Outsourcing of low-level manual, clerical, and service jobs happens largely through firms. Recruitment, or more general, satisfying the demand for household work, happens through the migration process but also increasingly through agencies. Finally, a growth sector is global staffing companies that provide firms with a rather broad range of types of workers for mostly standardized jobs. Some of these firms have expanded into household work to help the transnational professional workforce. For instance, Kelly Services, a *Fortune* 500 services company in global staffing that operates offices in 25 countries, now has added a home care division, which provides a full range of help. It is particularly geared to people who need assistance with daily living activities but also for those who lack the time to take care of the household, which in the past would have been taken care of by the "mother/wife" figure in the household.[13] More directly pertinent to the professional households under discussion here is a growing range of global staffing organizations whose advertised services cover various aspects of day care, including dropping off and picking up, as well as in-house tasks, from child minding to cleaning and cooking.[14] One international agency for nannies and au pairs (EF Au Pair Corporate Program) advertises directly to corporations, urging them to make the service part of their employment offers to potential employees to help them address household and child care needs. Increasingly, the emergent pattern is that the transnational professional class can access these services in the expanding network of global cities among which they are likely to circulate.

At the top of the system, several major *Fortune* 500 global staffing companies provide firms with experts and talent for high-level professional and technical jobs. In 2001, the largest of these was the Swiss multinational Adecco, with offices in 58 countries; in 2000, it provided firms worldwide with 3 million workers. Manpower, with offices in 59 different countries, provided 2 million workers. Kelly Services, mentioned earlier, provided 750,000 employees in 2000. More important, there is an emergent system that protects the rights of the new transnational professional and managerial workforce. This system is embedded both in today's major free trade agreements and in a series of new types of visas issued by governments (for detailed analyses, see Sassen, 2006b, chapter 5).

It is thus both at the top and at the bottom of the occupational distribution that labor market internationalization is beginning to happen. Midlevel occupations, although also increasingly handled through temporary employment agencies, have been less likely to internationalize their supply. These midlevel occupations include a broad range of professional and supervisory jobs, many subject to automation but many sufficiently specific to a country's larger culture and politico-economic organization to be unlikely candidates for outsourcing. They also include a range of mid- and high-level government jobs, notably, in the civil service.[15] The types of occupations involved both at the top and at the bottom are, in very different yet parallel ways, sensitive to global dynamics. Firms need reliable and, it is hoped, somewhat talented professionals, and they need them specialized but standardized so they can use them globally. And, professionals want the same in the workers they employ in their homes. The move of staffing organizations into the provision of domestic services signals both the emergence of a global labor market and efforts to standardize the service delivered by maids and nannies and home care nurses across the globe.

The top end of the corporate economy—the highly paid professionals and the corporate towers that project engineering expertise, precision, and "techne"—is far easier to recognize as necessary for an advanced economic system than are truckers and other industrial service workers, or maids and nannies, even though all of them are a necessary ingredient. Firms, sectors, and workers that may appear as though they have little connection to an urban economy dominated by finance and specialized services can in fact be an integral part of that economy. They do so however under conditions of sharp social, earnings, and often sex and racial/ethnic segmentation. They become part of an increasingly dynamic and multifaceted lower circuit of global capital that partly parallels the upper circuit of professionals and leading corporate service firms—the lawyers, accountants, and telecommunications experts who service global capital.

New Employment Regimes in Global Cities

There are three processes of economic and spatial organization that I see as central to addressing this question. One is the expansion of the producer services and corporate headquarters sector and their consolidation into the economic core of major cities. Although this sector may not account for the majority of jobs, it establishes a new regime of economic activity and the associated spatial and social transformations evident in major cities.

A second process is the downgrading of the manufacturing sector, a notion I use to describe a mode of political and technical reorganization of manufacturing that is to be distinguished from the decline and obsolescence of manufacturing activities. The downgraded manufacturing sector represents a mode of incorporation into the postindustrial economy rather than a form of obsolescence. Downgrading is an adaptation to a situation where a growing number of manufacturing firms need to compete with cheap imports, and second, the profit-making capacities of manufacturing, overall, are modest compared with those of leading sectors such as telecommunications or finance and her sister industries.

The third process is the informalization of a growing array of economic activities, which encompasses certain components of the downgraded manufacturing sector. Like the latter, informalization represents a mode of reorganizing the production and distribution of goods and services under conditions where a significant number of firms have an effective local demand for their goods and services but cannot compete with cheap imports or cannot compete for space and other business needs with the new high-profit firms engendered by the advanced corporate service economy. Escaping the regulatory apparatus of the formal economy, even if partially, enhances the economic opportunities of such firms.

Whether articulation and feedback effects exist among these different sectors matters to the question in this article. If there is articulation among the different economies and labor markets embedded in them, it could be argued that we need to rethink some of the basic propositions about the postindustrial economy, such as the notion that it needs largely highly educated workers and advanced firms and the notion that informalization and downgrading are just a Third World import or an anachronistic remnant of an earlier era. The argument here is that we are seeing new employment regimes in these urban economies dominated by advanced services, which create low-wage jobs and do not require particularly high levels of education. Politically and theoretically, this points to low-wage jobs and low-profit firms as a systemic development of the advanced urban economy.

The expansion of low-wage jobs as a function of growth trends implies a reorganization of the employment relation. To see this, we have to distinguish the characteristics of jobs from their sectoral location (for empirical specification of this distinction, see Sassen, 2001, chapter 8). That is to say, highly dynamic, technologically advanced growth sectors may well contain low-wage dead-end jobs. Furthermore, the distinction between sectoral characteristics and sectoral growth patterns is crucial: Backward sectors such as downgraded manufacturing or low-wage service occupations can be part of major growth trends in a highly developed economy. It is often assumed that backward sectors express decline trends. Similarly, there is a tendency to assume that advanced industries, such as finance, have mostly good white-collar jobs. In fact, they contain a good number of low-paying jobs from cleaners to stock clerks.[16]

The Casualization of the Employment Relation

In terms of the organization of labor markets, we are seeing the formation of new types of labor market segmentation emerging in the 1980s and sharpening from the 1990s onward. Two characteristics stand out. One is a shift of some labor market functions and costs to households and communities. The second one is the weaker role of the firm in structuring the employment relation. More is now left to the market.

The shift of labor market functions to the household or community is evident in the immigrant community in particular. But, it is possibly part of a more generalized pattern that deserves further research: There is a large body of evidence showing that once one or a few immigrant workers are hired in a given workplace, they will tend to bring in other members from their communities as job openings arise. There is also evidence showing great willingness on the part of immigrant workers to help those they bring in with some training on the job, teaching the language, and just generally socializing them into the job and workplace. This amounts to a displacement of traditional labor market functions such as recruitment, screening, and training from the labor market and the firm to the community or household. The displacement of labor market functions to the community or household raises the responsibility and the costs of participating in the labor force for workers, even if these costs are often not monetized.[17] These are all subjects that require new research, given the transitions that we are living through.

As for the weaker role of the firm in organizing the employment relation, it takes on many different forms. One is the declining weight of internal labor markets in structuring employment. This corresponds with both the shrinking weight of vertically integrated firms and the restructuring of labor demand in many firms toward bipolarity—a demand for highly specialized and educated workers alongside a demand for basically unskilled workers, whether for clerical work, services, industrial services, or production jobs, as discussed in the preceding section. The shrinking demand for intermediate levels of skill and training has in turn reduced the need and advantages for firms of having internal labor markets with long promotion lines that function as training-on-the-job mechanisms. The decentralization of the large, vertically integrated manufacturing firms, including the offshoring of parts of the production process, has contributed to the decline in the share of unionized shops, the deterioration of wages, and the expansion of sweatshops and industrial homework. This process includes the downgrading of jobs within existing industries and the job supply patterns of some of the new industries, notably, electronics assembly. Furthermore, part-time and temporary employment is growing at a faster rate than full-time employment. In the United States, growing shares of service workers are in part-time jobs, and they are so twice as often as average workers; involuntary part-time employment has grown significantly over the past decade. Another empirical referent for the casualization of the employment relations is the rapid rise of employment agencies that take over the supplying of a growing range of skills under highly flexible conditions. The terms of employment have been changing rapidly since the 1980s for a growing share of workers.

In my reading, the overall tendency is toward a casualization of the employment relation that incorporates not only the types of jobs traditionally marked as “casual” jobs but also high-level professional jobs that in many regards are not casual (Sassen, 2001, 2007). It might be useful to differentiate a casualized employment relation from casual jobs in that the latter connotes such added dimensions as the powerlessness of the workers, a condition that might not hold for some of the highly specialized professional part-time or temporary workers. This is a subject that requires more research.[18]

One of the most extreme forms of the casualization of the employment relation and of the changes in economic organization is the informalization of a growing array of activities. This is a development evident in cities as diverse as New York, Paris, London, Amsterdam, and so on.[19]

The Increased Informalization of Work

A common interpretation, especially in the Global North, about the informal economy explains its existence in terms of the incapacities of less developed economies, which in turn explains mass migrations to the Global North and the import of informal economic practices into our most advanced urban economies—New York, London, Paris, and so on. Among the incapacities generating this cycle are the inability to attain full modernization of the economy, stop excess migration to the cities, and implement universal education and literacy programs.

Rather than assume that Global South immigration is causing informalization, what we need is a critical examination of the role that it might or might not play in this process. Immigrants, insofar as they tend to form communities, may be in a favorable position to seize the opportunities represented by informalization. But, immigrants do not necessarily create the opportunities. In my interpretation of the facts, these opportunities are a structured outcome of current trends in advanced economies (Sassen, 2001), trends that extend into the political domain (Sassen, 2006b).

A central hypothesis organizing much of my research on the informal economy is that the processes of economic restructuring that have contributed to the decline of the manufacturing-dominated industrial complex of the postwar era and the rise of the new, service-dominated economic complex provide the general context within which we need to place informalization if we are to go beyond a mere description of instances of informal work. The specific set of mediating processes that I have found to promote informalization of work are (a) increased earnings inequality and the associated restructuring of consumption in high-income strata and in very-low-income strata and (b) the inability among the providers of many of the goods and services that are part of the new consumption to compete for the necessary resources in urban contexts where leading sectors have sharply bid up the prices of commercial space, labor, auxiliary services, and other basic business inputs.

One major trend is that the decline of the middle class, the growth of a high-income professional class, and the expansion of the low-income population have all had a pronounced effect on the structure of consumption, which has in turn had an effect on the organization of work to meet the new consumption demand. Part of the demand for goods and services feeding the expansion of the informal economy comes from the mainstream economy and the fragmentation of what were once mostly homogeneous middle-class markets. Another part of this demand comes from the internal needs of low-income communities increasingly incapable of buying goods and services in the mainstream economy.

The recomposition in household consumption patterns particularly evident in large cities contributes to a different organization of work from that prevalent in large, standardized establishments. This difference in the organization of work is evident in both the retail and the production phases. High-income gentrification generates a demand for goods and services that are frequently not mass produced or sold through mass outlets. Customized production, small runs, specialty items, and fine food dishes are generally produced through labor-intensive methods and sold through small, full-service outlets. Subcontracting part of this production to low-cost operations, and also sweatshops or households, is common. The overall outcome for the job supply and the range of firms involved in this production and delivery is rather different from that characterizing the large department stores and supermarkets where standardized products and services are prevalent and, hence, acquisition from large, standardized factories located outside the city or the region is the norm. Proximity to stores is of far greater importance with customized producers. Furthermore, unlike customized production and delivery, mass production and mass distribution outlets facilitate unionizing (Fantasia & Voss, 2004; Tait, 2005).[20]

The expansion in the low-income population has also contributed to the proliferation of small operations and the move away from large-scale standardized factories and large chain stores for low-price goods. In good part, the consumption needs of the low-income population are met by manufacturing and retail establishments, which are small, rely on family labor, and often fall below minimum safety and health standards. Cheap, locally produced sweatshop garments, for example, can compete with low-cost Asian imports, and the small immigrant-owned grocery shop can replace the large, standardized, and unionized supermarket. A growing range of products and services, from low-cost furniture made in basements to “gypsy cabs” and family day care, is available to meet the demand for the growing low-income population.

In any large city, there also tends to be a proliferation of small, low-cost service operations made possible by the massive concentration of people in such cities and the daily inflow of commuters and tourists. This will tend to create intense inducements to open up such operations as well as intense competition and very marginal returns. Under such conditions, the cost of labor is crucial and contributes to the likelihood of a high concentration of low-wage jobs.

This would suggest that a good share of the informal economy is not a result of immigrant survival strategies but rather, an outcome of structural patterns of transformation in the larger advanced urban economy. Immigrants have known how to seize the opportunities contained in this combination of conditions (Menjivar, 2000; R. C. Smith, 2005; Suarez-Orozco & Paez, 2002; Waters, 1999), but they cannot be said to cause the informal economy. Informalization emerges as a set of flexibility-maximizing strategies by individuals and firms, consumers and producers, in a context of growing inequality in earnings and in profit-making capabilities discussed earlier. These are integral conditions in the current phase of advanced capitalism as it materializes in major cities dominated by the new advanced services complex typically geared to world markets and characterized by extremely high profit-making capabilities. These are not conditions imported from the Third World.

Conclusion

This article lays bare the fact that many socioeconomic and political conditions typically conceptualized in micro-level terms actually have complex interactions with particular macro-level economic restructuring processes. The interactions focused on here are not generalized and diffuse but partial and particular. For instance, labor migrations are not simply about the survival strategies of migrants and their households. They are also micro-level enactments of larger processes of economic restructuring in sending and receiving countries. These include IMF and World Bank programs that have devastated traditional economies in the Global South and forced states to shift growing shares of revenue into debt servicing. And they include the growing demand for a wide range of very-low-wage jobs in some of the most advanced, rather than declining or backward, economic sectors in highly developed countries.

Secondly, the article lays bare the specific ways in which gendering becomes strategic for the emergence and for the functioning of these restructuring processes and the partial economies they give rise to. Again, the focus was not on generalized and diffuse types of gendering but on specific and particular instances. Thus, trafficking in women is not only about traffickers and their victims. It has multiple insertions, from micro to macro levels, in key components of these restructured economies. Trafficking in women for the sex industry feeds into the larger political economy by generating entrepreneurial opportunities for small and large traffickers, and from there on to a whole range of components of the larger tourism industry and various consumer services. And such trafficking feeds government revenues, especially significant when IMF and World Bank adjustment programs force much government revenue into interest payments to the international system. More generally, immigrants' remittances are a significant source of foreign exchange for several poor countries. Also here the article lays bare the specificity and particularity of these processes rather than general and diffuse effects.

I posit that we are seeing the formation of an alternative political economy emerging out of a mix of major global trends that become concrete in many of the struggling underdeveloped economies. One of these concrete forms is the formation of alternative survival circuits for individuals, firms, and governments on the backs of mostly poor and undervalued women.

Strategic gendering in the global city is evident both in the sphere of production and that of social reproduction in the advanced sectors of the urban economy. The macro-level context is the fact that these cities are a crucial infrastructure for the specialized servicing, financing, and management of global economic processes. Everything in this infrastructure needs to function well, including the professional workforce. Gendering becomes strategic in the production sphere because women excel at cultural brokering, at building trust across sharp cultural boundaries and differences. Cultural brokering has emerged as critical because globalizing firms and markets continuously enter new environments at home and abroad, each with its own specificities.

As for the sphere of social reproduction, gendering becomes strategic for the high-level professional workforce in the global city for two reasons. One is the disappearing subject that is the "wife" in the urbanized professional household given long work hours and very demanding responsibilities at work. The result is a proliferation in global cities of what we might think of as "the professional household without a 'wife,'" precisely at a time and in a context where these households need to ensure not simply survival but state-of-the-art survival. I posit that these households should be reconceptualized as part of the strategic "infrastructure" of global cities and that the low-wage domestic workers are in fact strategic infrastructure maintenance workers. I argue that the social systems represented by these households cannot be understood fully simply in terms of patriarchy, though that is clearly one dynamic—where the professionals, whether men or women, function as male subjects. Nor can this household be explained simply in terms of the return of the serving classes. Finally, we cannot limit the analysis to the poor working conditions, exploitation, and multiple vulnerabilities of these household workers. All three of these lenses get at critical facts about these households. But analytically, they do not help in capturing the strategic importance of well-functioning professional households for the leading globalized sectors in global cities, and hence my positing that they are actually maintaining a strategic infrastructure—their workplace is the global corporate economy—and should be valued correspondingly.

Immigrant and minoritized women are a favored labor supply for this type of household work, marking a key intersection point between conditions in Global South countries and in global cities of the North. Furthermore, being immigrant or minoritized women facilitates breaking the nexus between being workers with an important function in the global corporate economy and the opportunity to become an empowered workforce, as has historically been the case in industrialized economies. In this sense, the category *immigrant women* emerges as the systemic equivalent of the offshore female proletariat.

Notes

1. There is also an important scholarship on new forms of cross-border solidarity, including organizations that fight the abuses to which women are subjected. Elsewhere, I have examined the import of this, including the extent to which they can operate globally by using the existing "infrastructures" of economic globalization—from communications to legal and cultural (Sassen, 2006b; on these "infrastructures," see also Brenner & Keil, 2005; Taylor, 2006).

2. Structural adjustment programs became a new norm for the World Bank and the International Monetary Fund (IMF) on grounds that they were promising a way to secure long-term growth and sound government policy. Yet, all of these countries have remained deeply indebted, with 41 of them designated as highly indebted poor countries. The purpose of such programs is to make the state more competitive, which typically means sharp cuts in various social programs. By 1990, there were almost 200 such loans in place. In the 1990s, the IMF got an additional number of indebted countries to implement adjustment programs. Most of this debt is held by multilateral institutions (IMF, World Bank, and regional development banks), bilateral institutions, individual countries, and the Paris group.

3. The actual structure of these debts, their servicing, and how they fit into debtor countries' economies suggest that, under current conditions, most of these countries will not be able to pay their debt in full. Structural adjustment programs add to this negative outcome by demanding economic reforms that have added to unemployment and the bankruptcy of many smaller, national market-oriented firms. One indicator of the failure of these adjustment programs to do what they were meant to do is the fact that in early 2006, the leading economies voted formally to cancel the debt of the poorest 18 countries and proposed to extend debt cancellation to several more poor countries.

4. The basic source for information about remittances comes from the Central Bank of each receiving country. These figures exclude informal transfers.

5. For an index, go to http://www.livelihoods.org/hot_topics/migration/remittancesindex.html.

6. There is growing evidence of significant violence against mail-order brides in several countries, regardless of nationality of origin. In the United States, the Immigration and Naturalization Service has repeatedly reported that domestic violence toward mail-order wives has become acute (Yamamoto, 2008). Again, the law operates against these women when they seek recourse as they are liable to be detained if they do so before 2 years of marriage. In Japan, foreign mail-order wives are not granted full equal legal status, and there is considerable evidence that many are subject to abuse not only by the husband but by the extended family as well.

7. The Philippine government approved most mail-order bride organizations until 1989, but under the government of Corazon Aquino, the stories of abuse by foreign husbands led to the banning of the mail-order bride business. However, it is almost impossible to eliminate these organizations, and they continue to operate in violation of the law.

8. The scholarship on the subjects discussed in this second half of the article is enormous. It is impossible to reference fully each of the major propositions organizing the discussion. The author has discussed much of this literature in Sassen (2001, 2006b, 2007).

9. This is a whole subject in itself, with a rapidly growing research literature (for the most comprehensive examination at this time, see Bryson & Daniels, 2006). It is impossible to develop the subject here beyond a few summary statements (for a detailed discussion and extensive list of sources, see Sassen, 2001, 2006a). In my reading, the growth in the demand for service inputs, and especially bought service inputs, in all industries is perhaps the most fundamental condition making for change in advanced economies. One measure can be found in the value of bought service inputs in all industries. For this purpose, I analyzed the national accounts data over different periods beginning with 1960 for several industries in manufacturing and services. The results clearly showed that the value of services bought by firms increased markedly over time and across all industries. It has had pronounced effects on the earnings distribution, industrial organization, and the patterns along which economic growth has spatialized. It has contributed to a massive growth in the demand for services by firms in all industries, from mining and manufacturing to finance and consumer services, and by households, both rich and poor.

10. For instance, data analyzed by Smeeding (2002) for 25 developed and developing countries showed that since 1973, the incomes of the top 5th percentile have risen by nearly 50%, whereas the bottom 5th have declined by approximately 4%. According to the U.S. Census Bureau, from 1970 to 2003, the aggregate national income share of the top 5% in the United States went from 16% to 21% and for the top 20% from 41% to 48%. All of these figures will tend to underestimate inequality insofar as the top earners also have nonsalary-based gains in wealth, and the bottom 5th measure will tend to exclude

many of the poor who lack any source of income and are dependent on friends and family or become homeless and dependent on charities.

11. As for the consumption needs of the growing low-income population in large cities, these are also increasingly met through labor-intensive rather than standardized and unionized forms of producing goods and services: manufacturing and retail establishments that are small, rely on family labor, and often fall below minimum safety and health standards. A growing range of products and services, from low-cost furniture made in basements to gypsy cabs and family day care, is available to meet the demand for the growing low-income population. There are numerous instances of how the increased inequality in earnings reshapes the consumption structure and how this in turn has feedback effects on the organization of work, in both the formal and the informal economies.

12. Some of these issues are well illustrated in the emergent research literature on domestic service (see among others, Hochschild, 2000; Parreñas, 2001; Ribas-Mateos, 2004, 2005) and in the rapid growth of international organizations catering to various household tasks, discussed later. See Hindman (2007) for the case of expatriates.

13. Home care services include assistance with bathing and dressing, food preparation, walking and getting in and out of bed, medication reminders, transportation, housekeeping, conversation, and companionship. Although less directly related to the needs of high-income professional households, it is the case that many of these tasks used to be in the care of the typical housewife of the Global North.

14. Very prominent in this market are the International Nanny and Au Pair Agency, headquartered in Britain; Nannies Incorporated, based in London and Paris; and the International Au Pair Association, based in Canada.

15. It should be noted that although the supply of government staff is not getting internationalized, there are two emergent trends that make up a kind of internationalization. One is the recruitment into high government office of distinguished foreigners who have served at high levels of their government. A well-known example is London's recruitment of a former top-ranked public transport government official in New York City to handle the public system in London. The other is the intensifying global networks of specialized government officials, whether competition policy, antiterrorism, or immigration government officials (Sassen, 2007); these networks can be quite informal or go beyond formal institutional arrangements.

16. To spatialize these interconnections, I developed the notion of circuits for the distribution and installation of economic operations as an analytic device that allows me to track the full array of jobs, forms, and spaces that make up a sector or industry. It allows me to capture the variety of economic activities, work cultures, and urban residential areas that are part of, for instance, the financial industry in New York City but are not typically associated with that industry; truckers who deliver the software and cleaners have work cultures, engage in activities, and reside in neighborhoods that diverge drastically from those of financial experts, yet they are part of the industry. These circuits are also mechanisms to resist the analytic confinement of the low-wage immigrant workforce to "backward" industries just because the jobs appear as such. And, they allow us to move into terrains that escape the increasingly narrow borders of mainstream representations of "the" economy and to negotiate the crossing of discontinuous spaces (Sassen, 2006b).

17. There is an interesting parallel here with the earlier analysis in Gershuny and Miles (1983) showing that one of the components of the service sector economy is the shift of tasks traditionally performed by the firm onto the household, for example, furniture and even appliances sold unassembled to be put together by the buyer.

18. These developments raise several questions with regard to the employment of immigrants, which requires more empirical research. Most general, what is the effect of casualization in specific labor markets on employment outcomes for immigrants, and conversely, what is the effect of the availability of a casualized labor force on labor market characteristics? More specific, does the casualization of the labor market interact with, reflect, or respond to the availability of a large supply of immigrant workers, and if so, in what ways does this happen? Second, to what extent are immigrant workers an effective supply for many of these casualized jobs? And third, how does immigration policy affect the characteristics of the immigrant labor supply, and specifically, in what ways does it contribute to casualizing or decasualizing this labor supply?

19. Although this is a controversial subject because there are no definitive data, a growing number of detailed field studies are providing important insights into the scale and dynamics of the informal economy. See the studies by Tabak and Chrichlow (2000), Martin (1997), Roulleau-Berger (2003), Fernández-Kelly and Shefner (2005), Venkatesh (2006), and Zlolniski (2006), to name but a few field studies on the informal economy in advanced economies.

20. There are numerous instances of how the increased inequality in earnings reshapes the consumption structures in a city like New York and how this in turn has feedback effects on the organization of work in both the formal and the informal economies: the creation of a special taxi line that only services the financial district and the increase of gypsy cabs in low-income neighborhoods not serviced by regular cabs, the increase in highly customized woodwork in gentrified areas and low-cost rehabilitation in poor neighborhoods, the increase in homeworkers and sweatshops making either very expensive designer items for boutiques or very cheap products.

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Saskia Sassen is the Lynd Professor of Sociology and member, the Committee on Global Thought, Columbia University. Her new books are *Territory, Authority, Rights: From Medieval to Global Assemblages* (Princeton University Press, 2006) and *A Sociology of Globalization* (Norton, 2007). She has books translated into 19 languages. Her writings have appeared in many broad public venues, among them, *The Guardian*, *The New York Times*, *OpenDemocracy.net*, *Le Monde Diplomatique*, *International Herald Tribune*, *Newsweek International*, and *Financial Times*.