

## **The grey zones of innovation. The illegal and the informal in Latin America.**

Deadline for abstracts: 31<sup>st</sup> March 2019

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### **Description**

This special cluster aims to put together works analysing grey processes of illegal and informal innovation in Latin America and other geographies in the global south. The objective is to overtake the security and economic approaches to see the kind of knowledge, designs, technologies, techniques, learnings or shrewdness flowing through contexts of illegality and informality. Creativity expressed in workarounds, repair, maintenance, reuse, as well as the production of craft machines and artefacts are crucial for this call. How does the informal or illegal nature influence innovation? How is the illegal and informal related to the legal and formal? How could the type of creativities that emerges in these grey environments be characterized? How is the relationship between production and consumption in these grey areas? How can we overcome the malevolent, disdained or tropical vision and start seeing the productive and creative dimensions of illegality and informality?

Where does innovation come from? There is a direct link with productive centres such as laboratories, industries, institutes, states, firms, clusters or academia. These spaces have caught much of the scholarly fascination for knowledge and creativity; however, there are other spaces where innovation also occur: the grey zones of illegality and informality. Usually considered as 'backyards', these zones represent true breeding grounds for innovation; very often the most arresting practices emerge in these chaotic and dim zones. Latin America, in this sense, has been somewhat of a greyish region: ranked by the World Justice Project as the third region out of seven in adhering to the rule of law, slightly above the Middle East and

North Africa (WJP 2018)<sup>1</sup>; classified by the International Monetary Fund as the second shadow economy in the world, just behind the Sub-Saharan Africa (Medina and Schneider 2018)<sup>2</sup>; and listed by the International Labour Organization as a middle-range informal economy region, not too far from the Arab States (ILO 2017, 2018)<sup>3</sup>.

In recent years, innovation in illegal and informal contexts has become a fashionable subject within academia. A noteworthy example of the illegal aspect might be the concept of *outlaw innovation*, suggested by Science, Technology and Innovation Studies (STIS) scholars to describe innovation in hacking activities and online piracy and their relations with intellectual property rights (Schulz and Wagner 2008, Flowers 2008, Maxigas 2017). Another example is *malevolent creativity*, proposed by terrorism studies academics as a conceptual framework to understand the dark nature of creativity and innovation within terrorist organizations (Cropley, Kaufman, and Cropley 2008, Gill et al. 2013, Cropley 2017). Management and informatics researchers introduced the concept of *underground innovation* to analyse the *under the table* initiatives that end up benefiting specific legal markets (Abetti 1997, Mollick 2005). There are also concepts from other disciplines applied to illegal settings; for example *organizational learning* to the way terrorists groups learn (Kenney 2008, Jackson et al. 2005), and *communities of practices* to the form outlawed networks work internationally (Bueger 2013, Kenney 2017).

There are more examples from the informal context. *Innovations below the radar*, also from STIS authors, places the debate in terms of innovations for low-income consumers at the bottom of the pyramid produced by emerging markets or particulars in developing countries like China or India (Kaplinsky et al. 2009, Kaplinsky 2011). *Grassroots innovations*, initially conceived by Indian activists and then adopted by Latin American social scientists, aims to empower communities and individuals to transform their ideas into useful products and services by blending science, technology, design and risk capital (Gupta 2013, Hilmi 2012,

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1 *The WJP Rule of Law Index* measures the rule of law based on the experiences and perceptions of the public and in-country experts worldwide. It provides scores and rankings of 113 countries based on eight factors: constraints on government powers, absence of corruption, open government, fundamental rights, order and security, regulatory enforcement, civil justice, and criminal justice (WJP 2018).

2 The *shadow economy* is also known by other names like *hidden economy*, *grey economy*, *black economy*, *lack economy*, *cash economy* or *informal economy*. “We use the following definition: The shadow economy includes all economic activities which are hidden from official authorities for monetary, regulatory, and institutional reasons.” (Medina and Schneider 2018, 4)

3 *Informal economy* as a term was introduced at the 2002 International Labour Conference. It refers to “the series of all activities carried out by workers and economic units that are not –in law or in practice–covered or are insufficiently covered by formal agreements” (ILO 2018, 9). According to ILO, the informal sector measurement includes “those working in small and not modern businesses, self-employed workers, excluding university-educated professional people, and those working in domestic service” (ILO 2018, 9).

Cozzens and Sutz 2012). *Frugal Innovation*, moreover, was conceptualized by business research authors from the Indian example and describes the idea of doing more with less “by leveraging limited resources or lacklustre institutions, and to achieve ends that serve more people who have less” (Bhatti and Ventresca 2013, 16, Bhatti, Khilji, and Basu 2013, Hossain, Simula, and Halme 2016)<sup>4</sup>. This idea of *doing more with less* has been formulated with other labels and nuances: the *Jugaad*, for instance, is a Hindi word for “innovative fix; an improvised solution born from ingenuity and cleverness” (Radjou, Prabhu, and Ahuja 2012); the *Shanzhai*, a Chinese word that highlights the non-mainstreams products or the replicas of popular brands where inventiveness and rebellion are mixed to compete with global corporations (Dong and Flowers 2016). And the *inventiveness by necessity* referring to the type of means and knowledge people is forced to look for to solve their practical needs (Usenyuk, Hyysalo, and Whalen 2016).

All these approaches, thankfully, have paved the way to start seeing the illegal and the informal as spaces of knowledge and creativity; an approach that is still incipient in Latin America, notwithstanding the following works; for instance, the setting of an inclusive agenda to research innovations in contexts of informality for building a new development from the south (Cozzens and Sutz 2012, Arocena and Sutz 2012), or the idea of *social technology* as the design and implementation of technologies oriented to social and environmental problems with inclusive and sustainable drives (Thomas 2009), or the recent efforts to analyse drug-trafficking and guerrilla warfare as spaces of knowledge and creativity (Guerrero-C 2017, Moreno-M 2018). However, the academic approach does not match real practices. Despite the many instances, forms and places in which these grey zones take shape, and the different uses, subsistence, resistances or antagonisms, the analysis has been mostly from security and economic perspectives. It seems that authors enjoy giving recommendations to improve security or to fight against the banned; they appear to be concerned about measuring impacts of the informal economy in relation to poverty and development. Most of those studies have not problematized illegal/informal innovations either. Studying grey innovations is an invitation to consider the divides between legal/illegal and their relationship with the regulatory spaces in which such divides are enacted (Abraham and van Schendel 2005).

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<sup>4</sup> Similar concepts are *pro-poor innovation*, *innovation oriented to social inclusion*, *inclusive innovation*, *reverse innovation* or *disruptive innovation* (Ramani, SadreGhazi, and Duysters 2010, Arocena and Sutz 2012, Bianchi et al. 2013, Govindarajan and Trimble 2012, George, McGahan, and Prabhu 2012, Markides 2006, Guttentag 2015).

Drawing upon STIS perspectives, we suggest that there are three ways to approach the grey zones of innovation. Firstly, the user-driven innovation literature. STIS scholars have fully documented the active role of users/using in innovation (Von Hippel 1976, Cowan 1983, Pinch and Bijker 1987, Woolgar 1990, Fischer 1992, Fleck 1993, Edge and Williams 1996, Kline and Pinch 1996, Edgerton 1999, Oudshoorn and Pinch 2003, Von Hippel 2005, Hyysalo 2010). How the classic designer-user or producer-consumer matrix apply to the clandestine, violent or unregulated conditions? Secondly, the local character of knowledge/technology-making. Historians of colonialism/imperialism, historians of technology and feminists' scholars have showed how local peripheries produced knowledges, technologies and innovations (Headrick 1981, Bijker, Hughes, and Pinch 1987, Haraway 1988, Harding 1992, MacLeod 1993, Chambers and Gillespie 2000, Arnold 2005, Raj 2007, Edgerton 2007, Thomas 2009, Tilley 2011, Herrera 2011, Burbano 2012). How these knowledges, creativities or techniques work in what we call the *periphery of the periphery* (not only the poor periphery but the illegal/informal in the poor periphery), and how they are connected to the global? Thirdly, the artisans/practitioners/technician's labour literature (Mayor 1997, Sennett 2008, Bridenbaugh 2012, Long 2015). How the craft work operates in illegality and informality and the way it relates with the logics of the legal/licit market?

### **Potential themes**

- Historical sociologies of innovative processes in which illegal or informal knowledges, designs, creativities, techniques, technologies, learnings or practices are definitive in Latin American and other geographies in the global south.
- Theoretical and empirical discussions about how the illegal and informal nature changes innovation in Latin American and other geographies in the global south.
- Theoretical and empirical discussions about the relationships between regulatory spaces and the construction of illegality and informality in the process of innovation in Latin American and other geographies in the global south.
- Theoretical explorations on the general ideas of *illegal innovation* or *informal innovation*.
- Methodological reflexions on how to research illegal and informal spaces in Latin American and other geographies in the global south.

### **Practical information**

Your proposal should consist of an abstract (ca. 300 words) and a brief biographical note (ca. 100 words). Please submit abstracts to Oscar Moreno-M ([oscar.moreno@ed.ac.uk](mailto:oscar.moreno@ed.ac.uk)) and Javier Guerrero-C ([javierguerrero@itm.edu.co](mailto:javierguerrero@itm.edu.co)) with the subject "Grey Zones Innovation". If

accepted, full 8000-word drafts would be due **July 2019**. This thematic cluster is planned to be published between late 2019 and early 2020.

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