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CAPITALIST PERIPHERIES: PERSPECTIVES ON PRECARISATION FROM THE GLOBAL SOUTH AND NORTH

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**Precarisation and New Class Formations:
The Case of Call Centres in the Brazilian Banking Sector**
MARTINA SPROLL

1. Introduction

Following the ‘lost decade’ in the 1980s and a significant intensification of social inequalities in the 1990s as a consequence of neoliberal reforms, the Brazilian labour market has shown a remarkable trend reversal since 2003. Due to economic growth and new policies under the governments of Lula and Dilma Rousseff, open unemployment has fallen significantly (from 12.3% in 2003 to 5.5% in 2012, IBGE 2012), the minimum wage and real average earnings have increased, and most importantly: 18.7 million new jobs were created between 2003 and 2012, located in the formal sector (DIEESE 2012a, 2014; see also Leite/Salas in this special issue). This implies significant social changes as the mainly young and recently formalised workforce thus benefits from labour law and social provisions. At the same time, more than half of Brazilian workers continue to be excluded from the formal labour market, a fact which points to persistent and blatant inequalities. Increasing formalisation at the first sight is no doubt a positive development, but what kind of jobs have been created for which kind of workforce? In order to qualify and understand possible underlying dynamics of precarisation, some further points need to be taken into account. First of all, in the course of neoliberal restructuring the decade of the 1990s was marked by deregulation and flexibilisation of labour relations. These changes have facilitated employers’ flexibility in hiring and firing. According to Paulo Baltar, most of the new formal jobs are on unlimited contracts, but this does not imply job security, but rather an extensive practice of job rotation: “[...] in 2009, in the midst of the crisis, just under a million formal jobs were created within a total of 33 million

employees registered in Brazil. But that was the net job creation figure. There were 15.2 million dismissals as well as 16.2 million new hires” (Baltar 2010).

Hence it can be concluded – and this is one of the central propositions of this article – that we have a contradictory situation of simultaneous formalisation and precarisation. I argue that this kind of precarisation is structural and reflects the effects of flexibilisation, which have led to a debilitation of social protection rights based on formal employment even in highly regulated sectors. For example, compensation payments in case of dismissal (Fundo de Garantia do Tempo de Serviço) or unemployment insurance are linked to the period of employment. At the same time, questions arise regarding the quality and qualification of new formal jobs.

Precarisation is a dual process, which on the one hand refers to social changes on the local and national level with its specific (de-)regulations, and on the other hand, can only be understood within a transnational framework of analysis of the corresponding economic, political and social implications of restructuring value chains. In times of finance-led accumulation, deregulation and flexibilisation have led to precarisation which is not restricted to the informal realm but is widely institutionalised also in the formal parts of labour markets. Outsourcing as an intrinsic strategy of finance-led restructuring is one of the main drivers and catalysts of precarisation and implies profound changes in the relative strength and negotiation capacity of workers’ organisations and the balance of power between capital and labour. At the same time, it entails a profound change of workers’ profiles with regard to gender, race and class, and thus new strands of social inequality. To take this into account implies a broader and intersectional perspective on ‘precarisation’. This term is most frequently used in a limited way, solely regarding contractual forms of labour like unlimited vs. fixed term or temporary work, full time vs. part time, etc. I refer to social precarisation in a relational sense, which includes shifts in social segmentations. Changes in the social space (class structures, identities, etc.) correlate with dynamics of restructuring labour markets and labour processes.

This article discusses the complex and intertwined process of precarisation based on an empirical study of the Brazilian banking sector, which can be distinguished by its prevailing tendency to outsource banking serv-

ices to call centres. I will draw on the results of empirical research I carried out in São Paulo in 2011 and 2012 in the context of the research network desiguALdades.net¹.

In part 2, I will outline the restructuring of the Brazilian banking sector in the context of financialisation of service relations. Outsourcing appears as a strategic outcome of these changes and as a main driver of precarisation. In part 3, I will analyse the social effects of precarisation in relation to the segmentation of the workforce both within banks and outsourced to call centres (regarding gender, class and race, but also age and sexual orientation). I will also show that the segmentation of workers correlates with new social segmentations in the social space. This is closely linked to the orientation in favour of consumerism in Brazil and the narrative of the ‘new middle class’. I conclude that consumerism is a new form of social regulation, which reinforces forms of social precarisation, because inclusion into society as a consumer does not mean being included as a citizen with social rights.

2. Restructuring of the Brazilian banking sector

The Brazilian banking sector provides an impressive example of deregulation and precarisation. In her important study about women as bank workers, Liliana Segnini characterises Brazilian banks as “a sectoral island of modernity in the Brazilian society” (Segnini 1998: 20). She refers to diverse aspects of the sector’s significance, such as its economic weight in relation to its participation of the GDP that makes it one of the most important subsectors of the Brazilian tertiary sector, but also in relation to the highly developed technological diffusion and the extraordinarily high level of education among its workers (*ibid.*). Evidently, the banking sector has always been a target of rigid state regulation. Furthermore, it is characterised by a longstanding tradition of trade union organisation. Relatively high salaries and benefits and a series of rights and standards show the bargaining power of the trade unions and the comparatively privileged situation of bank workers. On the other hand, the Brazilian banking sector is an example of an extremely comprehensive tendency towards automation and outsourcing. In the 1980s and 1990s, automation led to the most

dramatic job losses in the history of Brazilian banking, aside from other restructuring effects and outsourcing, which came into strong effect some years later. The overall number of bank workers was more than halved from approx. one million in 1986 to approx. 393,000 in 1999 (Sanches 2006: 38). More recently, due to economic growth and the record net incomes of banks, there was a partial recovery of bank jobs, reaching up to half a million bank workers in 2011 (DIEESE 2012a).

Automation changed the profile of productive operations, as low-skilled work was largely eliminated and substituted by the use of information technology. This not only had an impact on gender relations, as such (low paid) workplaces had predominantly been occupied by women. Informatisation modified the working environment in all areas of banking activity and changed hierarchies as well as modes of control. This led to contradictory effects: on the one hand, qualification requirements increased and bank workers were transformed into multi-skilled, flexible quasi-entrepreneurs with responsibility for productivity (sales of financial service products) and the quality of services. On the other hand, they suffered a substantial intensification of work and a devastating regime of variable remuneration depending on individual performance, but without further autonomy or participatory elements of work organisation. This points to a reorganisation of banking work shaped by an exclusively market-driven orientation (Jinkings 2006: 197) and at the same time by the revitalisation of Taylorist principles, to which Pereira and Crivellari (1991) refer with the term “bank-factory” (ibid.: 100).

2.1 Financialisation, changing service relations and outsourcing

The further liberalisation of the Brazilian financial system in the course of the 1990s entailed an extensive adoption of the dynamics and ideology of a flexible and finance-led regime of accumulation. This required not only the adaptation of international benchmarks like mergers and acquisitions through privatisation and the entrance of foreign banks (with the effect of creating a pronounced market concentration among five big banks) but also adjustments of organisational structures, as revealed by the formation of big financial holdings (cf. Sanches/Davanço 2010). The focus upon ‘shareholder value’ goes together with a significant redefinition of the profile of the operative business of banks. This includes a new focus

on capital markets and an unprecedented level of purely speculative activities, a multiplied diversification of financial services and the development of a series of new financial products (Jinkings 2004: 211-212). The diversification of financial services on the one hand involves a virtually unleashed process of outsourcing and subcontracting on the other hand, which goes far beyond simple decisions of externalising less qualified and less strategic activities. Moreover, outsourcing points to a decoupling of material and immaterial production processes as a consequence of a new regime of finance-led accumulation and subsequent changes in customer relations. Call centres are the new organisational expression of this changed service relationship.

Outsourcing, alongside automation and changes in corporate governance, must therefore be considered as one of the most important factors in the ongoing transformation of the Brazilian banking sector. The expenditures of banks upon outsourcing have grown from R\$ 2.2 billion in 1999 to R\$ 10.5 billion in 2010, with a clear tendency towards increasing further (Sindicato dos Bancários 2011: 4). This points to the fact that outsourcing as a central strategy has accelerated only in the course of the last decade. Banks began to implement outsourcing as a strategy as early as the beginning of the 1990s. At that time, outsourcing still referred to services that could easily be externalised, such as staff restaurants, cleaning, janitor and security services. In a subsequent second period beginning with the end of the 1990s, banks not only intensified outsourcing but began to outsource activities which, to a great extent, can be considered 'core business'. These include check clearance, data processing, cash management, credit cards, opening of bank accounts, cash withdrawal or remittance, debt collection, customer registry, preparative steps for credit accommodation, canvassing, fraud prevention and corruption, services related to automated teller machines, IT support and, above all, customer services in call centres (Sanchez 2006; author's interviews with employees and company representatives in banks and call centres, São Paulo, April 2012). In effect, subcontracted workers are doing the same basic activities as bank workers, but with fewer rights, less salaries and benefits and lower employment status. As mentioned above, banks have benefitted significantly from the recovery of the Brazilian economy in recent years, but this has not entailed a proportionate expansion of employment inside banks. Instead, there has

been significant growth of employment in subcontracted sectors – and this means in sectors with weak or no trade union organisation. Large-scale outsourcing undermines traditional forms of labour regulation. Since one of the main motivations for outsourcing is to reduce costs, especially labour costs, it is evident that outsourcing includes a shift from highly regulated to less regulated branches with lower wages and less codified rights. In a nutshell, outsourcing can therefore be considered as one of the main drivers of precarisation².

2.2 Flexibilisation of sector boundaries – the case of telemarketing

One of the most important and recent waves of outsourcing was carried out in relation to call centres. These have become a crucial instrument for the management of customer relations, enabling the handling of higher numbers of customers as well as of diversified and commodified financial services. Call centres (and contact centres) have themselves been the subject of reorganisation within the banks – all of which have one or very few centralised internal call centres, but most of the call centre infrastructure was targeted for large-scale outsourcing to companies in the telemarketing sector. Telemarketing – the common term in Brazil, which refers to all forms of customer relations, especially sales, via telephone communication – emerged in the end of the 1990s in the course of the liberalisation and privatisation of telecommunications and the technological diffusion of the Internet and telephony. Both political deregulation and technological changes led to an enormous proliferation of telephone lines and mobile phones – i.e. the technological preconditions for call centres.

According to the Brazilian Association of Company-Customer Relations (Associação Brasileira Das Relações Empresa Cliente – ABRAREC), during the last decade the sector has grown by 200%; in 2011, sales accounted for R\$ 26 billion. Approximately 1.4 million workers attend the impressive number of 1.5 billion calls per month, making Brazil one of the biggest markets for call centres worldwide (ABRAREC 2012).

Most of the telemarketing companies originate from start-ups; the new sector, however, did not only grow explosively but also became concentrated at an early stage of its existence. As a result, telemarketing is dominated by a few big players: the biggest company is Contax, a Brazil-based multinational, stockmarket-listed enterprise with about 115,000 workers

(in 2012), making it the second largest private company in the country. The second ranking company in the telemarketing sector is Atento, a Spanish multinational with more than 85,000 workers in Brazil (author's interviews with company representatives of Atento, April 2012). Brazilian telemarketing companies provide services to contractors from the most diverse economic sectors. It is not by chance that the financial sector is one of the most important contractors of call centre services in Brazil – according to ABRAREC, 60% of the above-mentioned 1.5 billion calls per month can be attributed to the financial sector. This means that there is a very considerable intersection of the value chain of banks and insurance companies (which together form the financial sector) on the one hand and that of telemarketing on the other hand, both equally dominated by global players. As a result, sectoral boundaries are no longer fixed, but are becoming increasingly flexible.

3. Social precarisation – changing workforce profiles, identities and inequalities

Having outlined the transnational dynamics of financialisation and the subsequent restructuring and focus upon outsourcing at the national level, I will now focus on how these structural changes translate into social precarisation and new strands of inequality in the call centre industry (both within banks and in outsourced call centres).

We should therefore draw attention to changes in workforce profiles (regarding class, gender, race, age, qualification, etc.), which can only be understood within the social setting of the labour process and the related interplay between identity politics and hierarchies. The case of call centres also allows us to link changes at the shop-floor level with changes in social structures and relations in the social space. Thus, the transnational dynamics of restructuring and the related financialisation already described impact not only on banks and the related labour market but also on social segmentations, class distinctions and consumption patterns. Both spheres are interconnected and reproduce each other. I draw on categories of Pierre Bourdieu's Social Theory, such as 'social space' which help to explain social stratification and the formation of social classes determined

by varying degrees of economic, social, cultural and symbolic capital (Bourdieu 1985, 1987). His concepts of 'symbolic violence' and 'illusio', that is the specific and implicit rules of a field, which are acknowledged by all actors through social practices, serve as a framework to understand the dynamics of power and domination (Schmidt/Woltersdorf 2008).

In a first step, I will focus on social relations inside call centres and the respective labour process, recruitment strategies and profile of the workers. A comparison of the profil of workers within banks in their internal call centres with the profile of workers in subcontracted call centres clearly shows the effect of outsourcing on the segmentation of the workforce. I subsequently analyse the correlation of segmentation inside banks and call centres and in the social space. The related processes of precarisation are shaped by a development model based on consumerism and the narrative of a new middle class.

3.1 Social relations in banks – workers profiles and gender divisions

Almost half of all those working within banks are women, 81 percent are white, and only eleven percent are black men whereas black women account for a meager seven percent³ (FEBRABAN 2010: 31). Bank workers belong to the social middle class and two-thirds are between 25 and 44 years old (FEBRABAN 2008). In recent years, a remarkable increase in the level of education of bank workers can be noted: 85 percent possess an academic education (DIEESE 2012b); with only a few exceptions, this has now become a precondition for recruitment.

A look at the gendered division of labour shows that the use of female workers has changed over time. After a period of reduction due to the elimination of less qualified work through automation and outsourcing, the increasing market orientation of work organisation, i.e. increasing sales of diversified financial products and services, has helped to reinstate women as an important and more highly qualified part of the labour force in banks. In spite of their higher level of education, women are still underrepresented in leading positions; nonetheless, women have made considerable progress since the 1990s and are now increasingly occupying positions as supervisors, operations managers and department directors (Jinkings 2002: 194-195). These changes may be related to the impact of the programme

“Valorisation of Diversity” (mapa de diversidade), which has been driven by social movements (see also Sproll 2013: 29f).

Although the move to adopt a market-oriented focus helped the promotion of women to higher qualified positions, call centres demonstrate the opposite development. Workers in the internal call centres of banks differ from the general profile of bank employees, having a higher proportion of women, at 71.6% (DIEESE 2012b)⁴. This shows the persistence of a traditional gender division of labour, as women have traditionally worked as telephone operators. Unsurprisingly, call centres form a new ‘low wage segment’ inside banks, located at the bottom of the hierarchy in terms of status and pay. Thus, there is no linear upward movement of women within the bank hierarchy, but rather an *increasing polarisation between different groups of women* and thus a complex process of gendered segmentation of the workforce. Nevertheless, there is a shared feature: even at the bottom of the hierarchy, there is a pay gap between men and women and this is true for all levels of hierarchy in the banks (ibid.).

3.2 The profile of outsourced call centre operators

The profile of telemarketing workers differs fundamentally from bank workers. Outsourced call centre agents are much younger, aged between 18 and 25 years old, and 84 percent of them are female (ABRAREC 2012). Most of them live in poor neighbourhoods in the periphery of São Paulo, a fact which indicates their belonging to a lower social class and – linked to this fact – having a higher proportion of dark-skinned people. Race has always been a decisive factor for the structuring of social and economic inequalities in Brazil; correspondingly, more telemarketing workers than bank workers are dark-skinned.⁵ This is directly related to the still prevailing invisibilisation, stigmatisation and social exclusion of dark-skinned and black people in Brazil.⁶

Whereas possessing an academic qualification is a prerequisite for employment in banks, only the completion of secondary education is required of telemarketing operators. Nonetheless, most of these are university students and for many of them it is their first job, at least inside the formal labour market, which is important as it guarantees some rights according to the labour law. Thus the extremely high demand for telemarketing operators in recent years (as a consequence of outsourcing and

the related de-qualification of service provision in call centres), has led to a specific social group, whose employment opportunities in former times predominantly had been limited to the informal sector, being integrated into the formal labour market. Notwithstanding, employment in call centres is precarised work. Even though call centres also inside banks form a new segment with a low qualification level, their workforce can count on much more symbolic, economic, social and cultural capital than outsourced workers. Inclusion into a highly regulated sector not only provides more prestige but also a different material base. Outsourced call centre operators receive a minimum wage (R\$ 622 in 2012, plus possible commissions for sales), whereas internal call centre operators the basic wage of the banking sector (approx. R\$ 1,400) as well as additional benefits fixed by collective agreements (cf. Sanches 2006: 80-81). On the whole, bad working conditions, low wages, the perception of the role as an occasional job, low status and a lack of career opportunities explain extremely high turnover rates – a striking characteristic of telemarketing. Nevertheless, many people remain working in call centres because there are no better employment opportunities.

3.3 Images, identities and persisting inequalities

To understand the production and reproduction of inequalities related to gender, class and race in the banking/telemarketing sector, we have to go beyond the analysis outlined so far. We also have to take into account the (self-)classifications of telemarketing operators, which correspond to the noticeable depreciation that is also present in public discourse and comments (see also Braga 2007; Venco 2009; Souza 2012). Telemarketing operators have a very different image from bank workers not only because of factors like education, social class, skin colour, and age but also because of their visual appearance and presentation. This is related to the fact that a call centre operator is not visible for the customer, a factor that impacts on strategies for recruitment. Banks, for example, apply other criteria in relation to aesthetic stereotypes for contracting labour placed in a bank branch. It is an advantage to be white, pretty/handsome, well dressed etc., that is to say, the criteria applied to recruitment point to hegemonic gender images and stereotypes (both for men and women). The image of telemarketing operators differs completely from this, something that was also expressed

by the operators themselves in interviews with the author (April-May 2012): They described themselves as negroes, ugly, obese, homosexuals, transvestites, people with tattoos, piercings, belonging to subcultures, disabled etc. “Everybody gets in here, without discrimination” was a generalised statement made in a conspicuously uniform way by very different interviewees, be it the workers themselves, managers, representatives of employers’ organisations or trade union activists. In this discourse, call centres appear to function as a space of unexpected equality and equal opportunity not hindered by belonging to a (stigmatised) social group. Seemingly, in such an invisible environment, gender, class, age, race, sexual orientation, etc. do not matter but rather individual behaviour. This perception points to what I would define as key to the ‘illusio’ (Bourdieu) of the field of telemarketing, that is the specific rules of domination: The negation of discrimination and the idea that everything depends on your individual performance. This corresponds to current debates and recent policies in relation to anti-discrimination, diversity, quotas for black students, etc. as a normative obligation for a modern Brazilian society.

The combination of such discourses and the evident but denied existence of discrimination and precarisation is an expression of symbolic violence. In a contradictory process between self-attribution and discrimination on the one hand and a limited inclusion as (second-class) citizens on the other hand, telemarketing operators constitute a new type of working-class identity that is marked by the permanent promise of social ascendance. Nevertheless, in interviews, all operators reported that they had not noticed any gendered or racial division of labour at the level of operators (such as, for example, the exclusive or predominant use of men or women for specific tasks like support or canvassing). This points to the fact that a distinctive use of labour on this level, which forms the bottom of the call centre hierarchy, is not functional. At the same time, there is a kind of unifying factor applied to all operators: an attributed inferiority. The majority of women is joined by a minority of men, who predominantly present characteristics such as homosexual, transsexual and transvestite or black – attributes which are negatively classified in a society based on racism, sexism, heterosexual norms, etc. and that generates difficulties for these groups of people in terms of accessing other segments of the formal labour market (Venco 2009: 60). In fact, restricted opportunities to obtain

jobs other than telemarketing indicate discrimination, precarisation and stereotyping which do not disappear in call centres but are reproduced on various levels. The pronounced feminisation related to telemarketing, for example, highlights a historical continuity. As already described above in relation to the banking sector, the occupation of ‘telephone operator’ – the predecessor of the modern call centre operator – has always been conceived as feminine (Nogueira 2006: 49). Call centres are a space to which the former segments of low qualified female work inside banks have been transferred and in which they continue to exist (Segnini 1998).

Traditional strands of reproduced inequality also become visible in vertical hierarchies. Women form 84% of the operators, while 73% of the supervisors and 67% of coordinators are women. Although the latter proportions are comparatively high, the figures also show that women are not proportionally represented in leading positions. For black people and those with non-heterosexual identities, the situation is even more disappointing in relation to the ‘illusio’ of equality and equal opportunity. Several statements made during my interviews point to the fact that blacks are even less well represented in executive positions and transsexuals and transvestites are completely excluded. The latter are a particularly interesting example as they are reputed to be very good operators and salesmen, thus more productive, creative, dynamic and engaged. One interviewee (a male monitor) said: “Transsexuals don’t get a chance for a career. That’s why they quit their jobs frequently and then try it in the next call centre. They are looking for recognition and don’t get it” (interview April 2012).

3.4 Neotaylorist work organisation as transmission belt for precarisation

The recomposition of the work force described above and the related recruitment strategies correspond to a specific form of organisation of the labour process. As already mentioned in Section 2, financialisation, i.e. an exclusively market-driven orientation, has contradictory effects on work organisation. On the one hand, individual performance is being given increasing importance (in terms of enhancing sales of diversified bank services) and on the other hand, Taylorist principles of work organisation as rationalisation strategy and the related authoritarian forms of control

evolve simultaneously. Call centres are the place in which this strategic adjustment, which I call *Neo-Taylorism*, becomes most visible.

The physical layout of Brazilian call centres is very similar to others found all over the world (Holman et al. 2007). Centred on IT systems (computer-telephony-integration), each telephone operator has an individual work station equipped with a headset and a telephone switch for inbound and outgoing calls and a computer which connects them to the bank system to access and change customer data. The frequency of calls is determined by the IT system and not the workers. During calls, operators generally have to follow a predetermined script, which limits their individual autonomy in the conversation and points to the high degree standardisation, also in terms of time: there are fixed target times of between 30-60 seconds and a few minutes, depending on the task and product involved. This standardised requirement both for behaviour and performance of operators highlights characteristic features of a Taylorist work organisation (cf. Taylor/Bain 1999). It is also evidenced through the fact that most operators are only trained in relation to a specific product (i.e. credit cards or loans/credits), meaning that work is divided into small steps, with operators having no knowledge about the integral sequence of operation. There is correspondingly little training, especially in outsourced call centres. As a consequence, and even though these services play a fundamental role in increasing banks' profits, call centres as a new organisational form enable the replacement of highly educated and qualified personnel with a young, low-skilled work force as described above. It is thus important to consider (*Neotaylorist*) work organisation as a fundamental transmission belt for precarisation processes through outsourcing.

Du Tertre (2011) speaks of perverse effects of Neotaylorist reorganisation in relation to the quality of the service as well as the recognition of employees and their position in the labour process. Indeed, the way in which service relations are organised in outsourced call centres cannot but compromise the quality of services – a phenomenon well-known to everybody who has already encountered call centres. Banks apparently walk a fine line between maximising their cost reduction strategies on the one hand and jeopardising their market share and customer loyalty on the other hand (due to perceived bad services). How do they control this risk? One answer lies in the specific division of labour between internal

and external call centres and the correlated segmentation of customers. In principle, outsourced workers offer all kinds of bank services, but not for all kinds of customers. Although labour division between internal and external call centres seems to be flexible and depending on different recruitment strategies of banks⁷, most banks concentrate services related to private and corporate customers with an appropriate economic power (class A and B – see Figure 1 below) within special departments of their own operations. Operators in internal call centres can count on a more comprehensive initial training programme compared to outsourced call centres. This indicates the higher level of qualification not only of operators but also of the services provided – a key difference between bank internal and outsourced call centres.

3.5 New consumerism, segmentation of customers and the social space

The increasing number of call centre operations indicates a notable integration of new segments of the population as bank customers since the 1990s. Today, the majority of Brazilian citizens have a bank account. According to FEBRABAN (2011a), between 2000 and 2010 there was an increase of more than 120% to a new total of 141.3 million bank accounts. The number of 153.4 million credit cards in 2010 is similarly impressive (*ibid.*)⁸. This points to adjustments in the structure of the social space of the Brazilian society with respect to social stratification, sparking broad debates about the emergence of a new middle class in recent years. Due to improved economic performance and the subsequent fall of poverty rates, the Fundação Getúlio Vargas (Neri 2010) recorded shifts in the composition of social classes which are classified and ranked from A (highest class) to E (lowest class). According to Neri (2010: 4), the most significant changes can be noted in relation to the famous ‘C-class’ – 29 million people entered this so called new middle class between 2003 and 2009, which now accounts for more than half (50.5%) of the Brazilian population. With an increase of 30.6%, the upper class (classes ‘A’ and ‘B’) has grown even more, reaching 20 million Brazilians (approximately 10.5% of the population) (*ibid.*: 5). Conversely, the population assigned to the lower classes ‘D’ and ‘E’, which form the base of the pyramid, fell from 96.2 million to 73.2 million (which still represents a considerable part of the Brazilian popula-

tion living in conditions of poverty), emphasising upward social mobility. The new middle class is of extreme political as well as economic importance, “because it concentrates over 46.2% of the total Brazilian purchasing power during 2009” (ibid.: 7). This development is closely related to an increase in income, mainly due to the growth of formal employment as well as the social policy of the Lula government, which implemented transfer programmes like Bolsa Família (Family Grant) – contributing to the integration even of lower classes (D and E) as bank customers. The Fundação Getúlio Vargas therefore comes to the conclusion that “Brazil is becoming a nation of consumers, buying cars, computers and houses with cash or on credit” (ibid.: 10). The development of bank accounts, savings accounts and credit cards, for instance, reflects increased inclusion in the formal labour market or in conditional cash transfer programmes by the state. The depicted increase of purchasing power is furthermore reflected in an impressive increase in financial transactions in general. But does that really mean social inclusion? According to Sonia Fleury (2013) the narrative of the new middle class in Brazil can be understood as a new political project of ‘sociability’ in the course of flexibilisation and deregulation, in contrast to a project of active citizenship based on universal social security rights. Counter to this, the current development model emphasises income transfer, which creates beneficiaries without rights. Thus, as Fleury argues, it is producing consumers (ibid.: 78; see also Lavinás 2014). Call centres are a paradigmatic expression of such a process and a new development model based on consumerism, because they not only produce a new group of consumers (their own workers) but also provide services for enhanced consumption (while at the same time a harmful process of deindustrialisation can be noted, see i.e. Cano 2014). Obviously, call centre workers are not part of a middle class, but of a new type of working class (Antunes/Braga 2009; Sousa 2012), which is integrated into society in a precarious way. Consumerism shapes new social segmentations, which also become visible in the strategies of banks in relation to classifying customers according to their purchasing power and investment capability (see Figure 1).

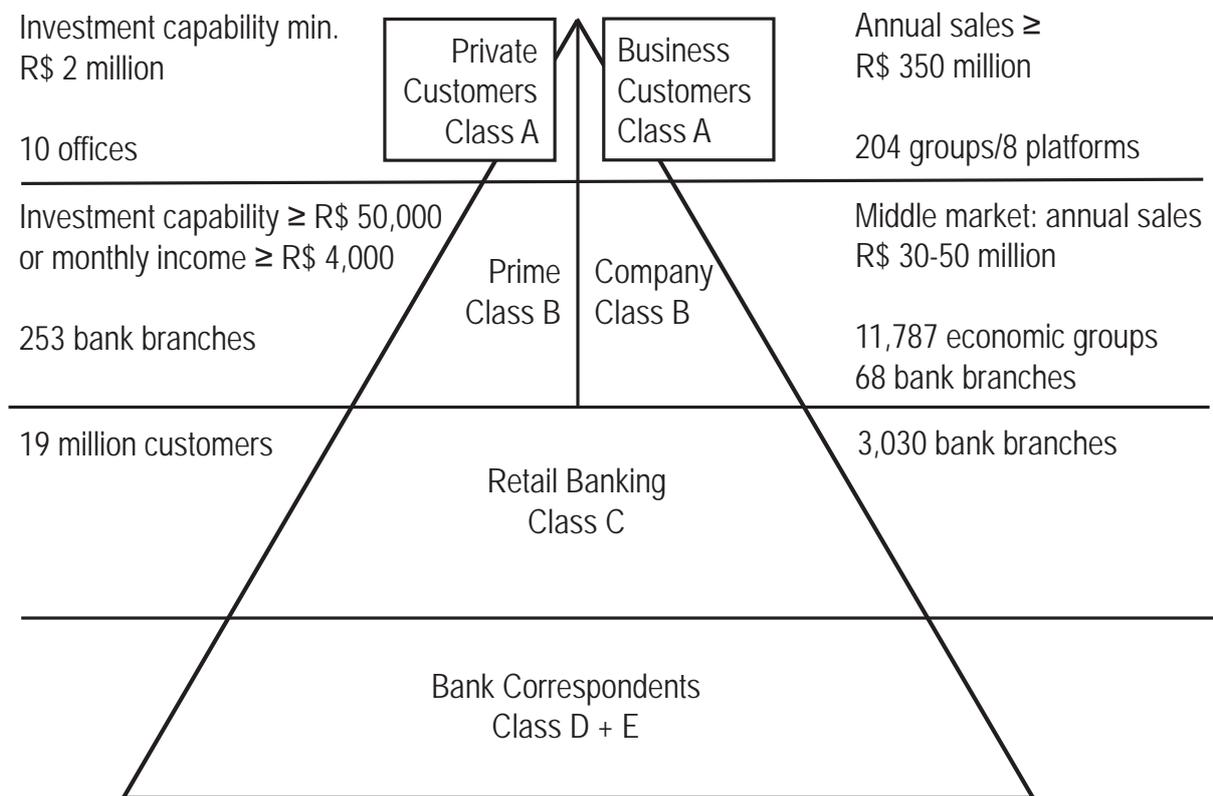


Figure 1: Customer Segmentation Pyramid: The Case of Bradesco

Source: Adaptation from Sanches/Davanço 2010 (based on the Annual Report, Bradesco 2008)

Part of this strategy is the creation of dedicated physical spaces for specific customer groups. All big banks create such dedicated spaces for private customers with an elevated purchasing power, that is to say for customers in ‘class B’. As a general rule, customers classified as ‘class C’ are expected to use the standard bank branches (with security personnel preventing them from entering branches for class ‘B’) whereas customers classified as class ‘D’ and ‘E’ are expected to utilise the services provided by bank correspondents (bank services provided in the most diverse environments like supermarkets, newsstands or lottery retailers).

This is a very important point because it shows how the strategies of individual banks (the classification of bank customers) also translate into the classification of social classes and groups, which are equipped not only with economic but also with specific cultural, social and symbolic capital.

4. Conclusion

The new profile of call centre workers points to fundamental changes in the social form and political regulation of labour markets and this also means changes in the related forms of social inclusion and of citizenship. The inclusion into the formal labour market of young underclass workers, women, homosexuals, blacks etc., whose employment opportunities in former times had predominantly been limited to the informal sector, generates a very ambiguous situation. Their access to the formal labour market signifies a clear upward mobility, which includes a number of rights and opportunities such as, for example, credit card ownership – a symbol not only for consumption opportunities but also for social integration as citizens. At the same time, these workers are included into a segment of the financial value chain that is characterised by low qualification, low status, and precarious employment conditions. This is related to identities and classifications as black, homosexual, women, etc., which imply inferiority. Therefore, they are integrated into the new ‘middle-class-society’, but as a kind of second class-citizen, meaning that they are equipped with little economic, social, cultural and symbolic capital and few rights. This shows that formalisation of work is by no means a sign of decreasing precarisation but rather emphasises the relational character of precarisation and also indicates contradictory processes as shown e.g. by the polarisation between high- and low-status women workers. This points to the importance of intersectional analyses in order to understand processes of social segmentation. Furthermore, the case analysed here shows that the orientation of bank restructuring in the context of finance-led, flexible accumulation closely interrelates with a new segmentation not only of workers but also of the social space – which indicates a new form of social precarisation based on consumerism.

Further research is needed to understand these new segmentations and the formation of a new type of working class as represented by call centre workers, aside from other segments of workers principally from the services sector (Antunes 2013). Their social position is characterised by flexible and precarious employment conditions and identities which not only differentiate these workers from traditional working classes but also from traditional middle classes. This is highly relevant because it indicates the

need for new forms of labour policy and trade union strategies. Still, little is known about the life career of these workers, who also demonstrate high aspirations regarding education and upward social mobility. To what degree these aspirations can be realised or will be contradicted i.e. through growing private indebtedness (in the view of the current consumerist development model) will have to be verified by longitudinal studies.

- 1 In this qualitative study I conducted 65 expert and indepth interviews with managers of banks and telemarketing call centres, workers in bank internal and telemarketing call centres, representatives of trade unions, NGOs and employer's associations of the banking and telemarketing sector in São Paulo in November 2011 and March-May 2012 (see also Sproll 2013).
- 2 This is not only true for the banking sector. Outsourcing can be considered a worldwide trend of organisational change, which implies processes of precarisation (see i.e. Dau et al. 2009; Lüthje et.al. 2013; Milberg/Winkler 2013).
- 3 The term 'black' is used here to refer to the classification of race (negro) used by the IBGE (Instituto Brasileiro de Geografia e Estatística). This distinguishes four categories: white, negro, indigenous and yellow. 'Negro' includes all people who in the official census declared themselves as black or dark-skinned (*pardo*).
- 4 In relation to the percentage of black workers in internal call centres, there are unfortunately no disaggregated data on race available, at least none that are published.
- 5 Again, there is no systematic survey of race/skin colour in relation to the racial segmentation of the labour market and the telemarketing sector available.
- 6 I refer to skin colour, as this is the base for the official census and the connecting factor for the generation of stereotype classifications based on phenotypes (cf. Bento 2008).
- 7 For more detailed information on different recruitment strategies of banks, see Sproll 2013: 37.
- 8 FEBRABAN indicates 145,382,000 adults over 15 in the Brazilian population, from which 115,187,000 have an active relationship with financial institutions (FEBRABAN 2011b).

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Abstracts

Despite the growing formalisation of employment in the last decade, the Brazilian labour market exhibits new forms of precarisation and social inequalities. Based on the empirical case of call centres in the Brazilian banking and telemarketing sector, this article shows how transnational dynamics of restructuring, above all the increasing trend of outsourcing on the one hand and a national development model based on consumerism on the other hand, produce new forms of social segmentation and identities both within banks and in the social space. Precarisation and formalisation evolve simultaneously in a complex and socially intertwined process. In order to visualise new strands of inequalities related to class, race, gender and sexual orientation, a broader concept of social precarisation is needed.

Obwohl die Entwicklung im brasilianischen Arbeitsmarkt in den letzten zehn Jahren durch eine zunehmende Formalisierung von Arbeit gekennzeichnet ist, haben sich neue Formen von Prekarisierung und sozialer Ungleichheit entwickelt. Am Beispiel der Callcenter im brasilianischen Bankensektor wird gezeigt, wie sich im Zuge transnationaler Restrukturierung, insbesondere dem Trend zu Outsourcing, Prekarisierungsprozesse entwickeln, die sich unter anderem im Profil der Beschäftigten (beispielsweise Klassenzugehörigkeit und Geschlecht) spiegeln. Dies verschränkt sich, vor dem Hintergrund eines nationalen Entwicklungsmodells, das

auf Konsumismus beruht, mit Veränderungen im sozialen Raum, die neue Sozialstrukturen und Klassenidentitäten hervorbringen. Um neue Ungleichheitslinien bezüglich Kategorien wie Klasse, Geschlecht, ethnische Zugehörigkeit und sexuelle Orientierung zu analysieren, bedarf es eines breiteren Konzepts sozialer Prekarisierung.

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