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Neither the dark side, nor the bright: IT professionals and telework in Argentina

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ABSTRACT

Because of digitalization, telework has become increasingly important in many developing countries. This includes the information and telecommunication (IT) sector. The existing literature has uncovered downsides such as overwork and unsocial work hours, no social security and strong downward pressure on salaries. This article calls the scepticism on IT telework into question, demonstrating that participation in a globalized labour market has much to offer, at least to some professionals. It presents an open heuristic of benefits and drawbacks of telework, which is applied to IT professionals in Argentina. Against the backdrop of a series of semi-structured interviews, challenges are explained, but also many advantages of telework. Telework means higher salaries paid in hard currency and represents a step ahead in the career of IT professionals. They remain part of Argentina's IT ecosystem, instead of emigrating. In addition to rebalancing the pessimism that marks the literature on remote IT work, the empirical findings contradict the very negative assessment of this sector in Argentina from a perspective of national development, without ignoring its shortcomings.

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Argentina; gig economy; IT service; remote work; telework

Introduction

Because of progress in telecommunication and the normalization of remote work, information and telecommunication (IT) services have become globally tradable. Since the late 1990s, European and North American corporations have offshored IT tasks to low- and middle-income countries, relying on subsidiaries or independent providers there (Massini & Miozzo, 2012). Bryson (2007) referred to this new international division of labour as “the second global shift”. Dossani and Kenney (2007) have called it “the next wave of globalization”.

In addition to the intra- and inter-company division of labour across space, IT professionals who live in developing countries now interact directly with employers from the Global North. Especially small and medium-sized enterprises (SMEs) benefit from this opportunity to access talent and reduce costs. Enthusiasts such as Rodrik and Sandhu (2024) argue that labour-absorbing services, which include IT telework, must be a priority for the Global South because the manufacturing sector cannot create the vast amount of jobs that developing countries need.

Critical researchers, on the other hand, see telework as a commodification of labour (Wood et al., 2019b), with

teleworkers experiencing high degrees of precarity and vulnerability (Anwar & Graham, 2021; Graham & Anwar, 2019; Graham et al., 2017). The harsh conclusion is that the globalized labour market accounts for the detriment of the livelihoods and bargaining power of IT professionals. It has led to a race to the bottom regarding wages and working conditions (Graham & Anwar, 2019).

We contend that the scepticism on telework goes too far, especially when taking a broader perspective on the phenomenon that goes beyond low-end work via platforms. Negative incidents tend to be overemphasized – for instance, the case of a Ghanaian programmer who apparently lives on a diet of Coca Cola and dry bread to be able to pay for his Internet connection. Challenges faced by most people, such as the coordination of care work for one's own children with paid work, are presented as if they were a particularity of remote IT work (e.g. Anwar & Graham, 2021). We appreciate research that dives into the “dark side” of economic geography, following the seminal contribution by Phelps et al. (2018). However, we also think that it needs to be better acknowledged that development is ambivalent, creating opportunities for the locations and players under consideration, along with challenges.

Our case study to substantiate this idea is Argentina, where the issue of working conditions is joined by a

pessimistic debate on participation in global production networks and national development. Firms from the country are very successful in globalized IT, but, for several years now, skilled professionals have been drawn towards telework. In a recent survey, 59 per cent of the employers from Argentina's IT sector reported difficulties in finding employees, stating more competitive salaries for remote work as the main issue (Forbes, 2023). There is no official data on how many people live in Argentina and work for IT companies that are not in the country. Estimates range from 30,000 to 70,000 (interview I, III, VI; Perfil, 2022c), which is a lot considering that formal employment in the sector stands at about 150,000 (Employment and Business Dynamics Observatory, 2024b). Calls to reduce this brain drain have been made, also by asking rhetorically whether "to export programming hours like a commodity or [high value-added] software made in Argentina?" (Perfil, 2022c).

Against this backdrop, the article is guided by the following questions: How can labour dynamics in Argentina's IT sector be explained? What do they imply for IT professionals in terms of working conditions and career development? The answers to these questions contribute to better understanding larger issues: the opportunities and drawbacks of globalized telework for those who engage in it, and developmental implications for the developing countries where these teleworkers live, mainly through skills formation, talent circulation and the effects thereof on local value addition.

It is important to stress that by remote work or telework, we mean work for a company that is not in Argentina. Home-office arrangements and hybrid schemes are of a different nature and not analysed here. Further to that, our field research was carried out in early 2024. The recent turns of Argentina's economy are beyond the scope of the article.

We admit that Argentina is marked by context factors that do not apply to many developing countries, at least not to the same extent (such as a very qualified IT labour force and a tremendously distorted, highly restrictive foreign exchange regime). Hence, generalizing from our findings is about disproving the pessimism on remote IT work. The article demonstrates that this kind of globalization can lead to opportunities, but it is not claimed that they necessarily apply to all developing countries and every IT professional in the Global South.¹

Before answering the guiding questions, we review the literature on remote IT work in developing countries to draft a heuristic that captures benefits and drawbacks. Afterwards, the research methods are presented. An introduction to the case study is provided, along with a summary of research on Argentina's IT sector from the

perspective of national development. The concluding section proposes topics for follow-up research.

IT telework in developing countries

Telework means a major change of labour markets. Historically, these markets were spatially bounded because labour had to go home every night. With digitalization, spatial boundaries have been erased and, in particular for IT jobs, there is now a single, globalized market. Regardless of their spatial scope, labour markets serve to buy and sell labour. They inform firms about the availability and skills of potential employees, enabling them to decide whom to hire. Labour markets also inform people about available jobs. They allow them to screen potential employers and decide for whom to work. Unlike the textbook case, labour markets are, in practice, socially constructed and politically mediated. Features such as ethnicity, gender and nationality can play a decisive role (Peck, 1996; for a corresponding study on IT telework, see: Beerepoot & Lambregts, 2014).

The key argument advanced by critical scholars against the backdrop of multi-country research in Africa and Asia is that the globalized IT labour market is marked by a highly asymmetric relationship of capital and labour. It does not operate like the just-described ideal type and, therefore, leads to precarious work. There is, supposedly, an oversupply of IT professionals, which limits their bargaining power. IT professionals have to provide plenty of information about themselves and accept almost every salary, whereas their employers tend to be secretive and play the workers off one against another to reduce labour costs to a dramatic extent (Graham & Anwar, 2019; Graham et al., 2017).

Precarity is reinforced by the fact that due the transnational nature of this market, there are no effective laws. For example, on many digital platforms, which serve to connect supply and demand, employers do not have to pay unless they are satisfied with the work (Graham & Anwar, 2019; Graham et al., 2017).² Needless to say, teleworkers are in a very vulnerable situation, as they can be fired overnight and do not benefit from any sort of social security.

Further downsides include intermediation, with more experienced and better networked IT professionals subcontracting others as freelancers and earning a commission for their facilitation services. Intermediation boosts the problem of low salaries and information asymmetry. In this gig economy, teleworkers often remain unaware of the product or service they are contributing to. This makes it difficult for them to adapt their skills and move to a better position within the production network (Graham et al., 2017). Remote IT work has, moreover,

been criticized for being exhausting. It is prone to sleep deprivation, as a result of working at night for employers from a different time zone. Teleworkers have also been reported to suffer from overwork and irregular work, which are due to their oversupply and weak bargaining position (Anwar & Graham, 2019; Wood et al., 2019a).

Figure 1 summarizes these problems, distinguishing between features of the labour market, capital – labour relations and downsides experienced by teleworkers. It serves as the starting point for our assessment of IT professionals in Argentina.

Not everything is so gloomy and even critical researchers recognize a certain degree of ambivalence. All teleworkers experience high levels of autonomy and flexibility with regard to how they organize their work. Many engage in a variety of tasks, which implies interesting work and chances to gain new skills (Wood et al., 2019a). Some of these skills, for example better proficiency in English, are transferable to other jobs, meaning that telework can serve as a stepping stone in personal careers that transcend the IT sector (Beerepot & Hendriks, 2013). Experienced, skilled teleworkers with a visible track record of successful digital employment can negotiate their salaries and working conditions, whereas novices cannot (Anwar & Graham, 2021).

It has also been stressed that digital work lowers barriers to labour market participation. For example, people who have to stay at home because of the care work they perform there can generate their own income through telework (D’Cruz & Noronha, 2016; Wood et al., 2019a). Moreover, domestic labour markets across the

Global South do not offer much to skilled professionals. There is a lack of job opportunities, salaries are low and engagement with supervisors tends to be unpleasant, to put it mildly (D’Cruz & Noronha, 2016).

Remote work is, hence, a potential pathway to better jobs and also higher salaries – perhaps not for everyone, but certainly for a considerable share of the worldwide IT labour force. It means exposure to international opportunities. Teleworkers can choose the kind of tasks they enjoy, whilst often earning much more than most people who have a formal job in the respective domestic labour market (Anwar et al., 2021; Graham et al., 2017). Beerepot and Lambregts (2014) found that the relative wages of IT teleworkers in India and the Philippines, measured against the backdrop of gross domestic product per capita in purchasing power parity, are higher than those of their peers in Great Britain and the United States.³

Table 1 lists these positive features of remote IT work. Together with Figure 1, it serves as an open heuristic to guide our empirical research. We need to find out whether these advantages and disadvantages apply to professionals in Argentina, and how they influence the job choices they make.

Research methods

Secondary data from business associations and public sources, as well as media reports and publications by Argentinean researchers are the basis for the introduction to the case study in the next section. To answer the

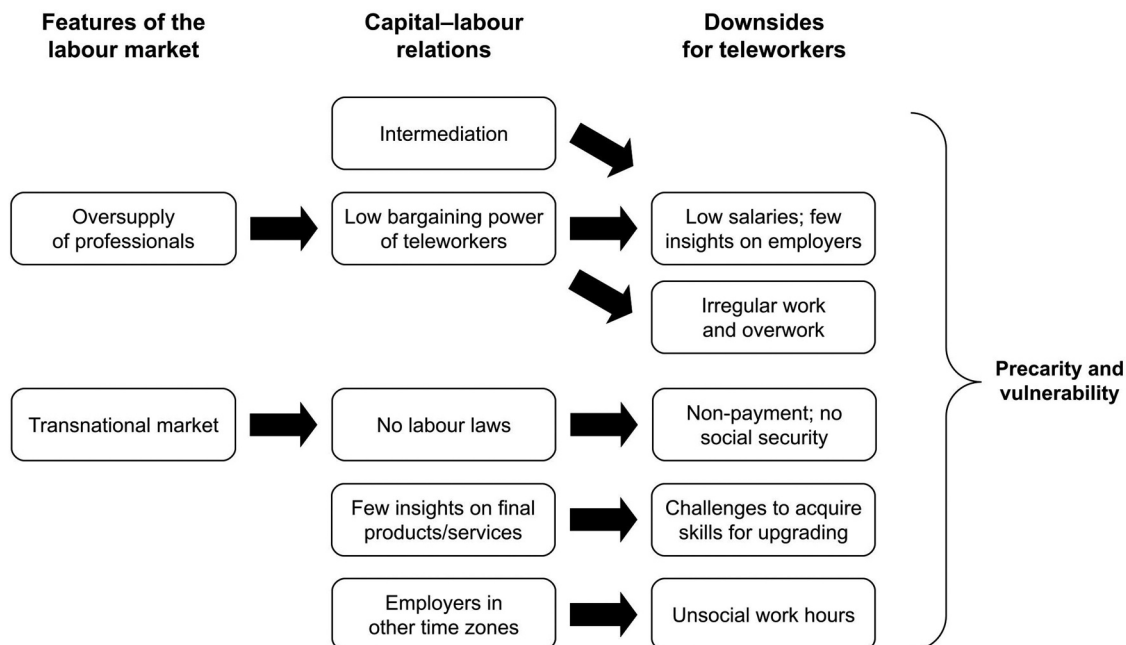


Figure 1. Drawbacks of it telework – literature review. Source: Authors’ own draft.

Table 1. Benefits of it telework – literature review.

Features	Implications
General characteristics	Autonomy and flexibility; engage in a variety of tasks, which is interesting and can lead to skills acquisition
Acquisition of transferable skills	Telework as a stepping stone into non-IT employment
Stratified labour market	Experienced, skilled professionals can negotiate better salaries and working conditions
Labour market barriers eased	Formerly excluded people can earn their own income
International exposure	Better jobs and higher wages (in comparison to the domestic labour market)

Source: Authors' own draft.

guiding questions formulated in the introduction, we refer to a series of semi-structured interviews. We conducted interviews with 21 IT professionals and 6 experts who have a bird's eye view on the sector from February to May 2024 (Tables 2 and 3).

The interviews lasted 17 to 54 minutes and were recorded. Summarizing protocols of the interviews with IT professionals were structured deductively along key topics: the interviewee's professional career, his/her motivation to work in IT and the reasons for past changes of employment, conditions at his/her present job, including its advantages and disadvantages, and plans for the future. This means that whilst listening to the audio recordings of the interviews, we transcribed the sections with information on these topics. Irrelevant parts of the interviews, such as introductory chit-chat and later off-topic digressions, were not transcribed. We then compared all interview protocols with our guiding questions in mind, identifying commonalities and differences, and also selected examples and quotes. A draft version of this article was shared with the interviewees, asking for verification. For the six expert interviews, inductive categorization was used, as they differed

significantly regarding their content. The experts shared their personal opinion with us. They did not speak as official representatives of any organization.

The set of interviews is characterized by a sufficient degree of diversity to capture the variety of perspectives that matter. This diversity guided us when we searched for interviewees on LinkedIn and via personal networks. Some of the IT professionals we interviewed work for companies in Argentina, going to a business office every day or having a home-office/hybrid arrangement. Others live in Argentina, but work remotely for foreign employers, either exclusively or to

Table 3. Interviewees with a broad perspective on the it sector.

ID	Profession/relation to the IT sector	Date
I	Former official of the national government	27 February 2024
II	Independent consultant	27 February 2024
III	IT trade unionists	28 February 2024
IV	Director of an IT cooperative	13 March 2024
V	Human resources executive of an SME	19 March 2024
VI	Human resources expert of a business association	29 April 2024

Source: Authors' own draft.

Table 2. Interviewed it professionals.

ID	Current job	Age	Date
1	Co-owner of an Argentinean start-up and freelance consultant	42	28 February 2024
2	Project manager at an Argentinean firm	34	29 February 2024
3	Chief operations officer of a North American start-up, works remotely from Portugal	39	1 March 2024
4	Freelance programmer and university lecturer	38	4 March 2024
5	Consultant employed by a transnational firm with offices in Argentina	34	8 March 2024
6	Programmer at an Argentinean firm and freelancer at a Costa Rican company	39	12 March 2024
7	Programmer at an Argentinean firm	37	12 March 2024
8	Programmer who works as a remote employee for a foreign start-up	34	12 March 2024
9	Programmer who works remotely for a transnational firm, lives in the Netherlands	40	13 March 2024
10	Freelance programmer	35	15 March 2024
11	Programmer at a non-governmental organization, lives in Spain	37	15 March 2024
12	Consultant employed by an Argentinean firm	42	19 March 2024
13	Programmer who works as a remote employee for a North American firm	42	19 March 2024
14	Software developer at a Mexican firm with offices in Argentina	25	20 March 2024
15	Freelance consultant	33	21 March 2024
16	Programmer at a German firm, lives in Germany	33	22 March 2024
17	Programmer at an Argentinean firm	40	22 March 2024
18	University lecturer and occasional freelancer	55	26 March 2024
19	Freelance programmer	33	27 March 2024
20	Programmer at an Argentinean firm	26	5 May 2024
21	Former customer support manager at an Argentinean firm, recently unemployed	48	9 May 2024

Source: Authors' own draft. Note: Unless indicated otherwise, the interviewees live in Argentina.

complement a job in the country. A third group has emigrated. Many interviewees have risen to an intermediate position at their company. Some are at the leadership level, whereas others carry out entry-level programming.

Comparing the set of interviewees with the samples used in the critical literature referred to above, the latter appears skewed towards the lower end of the worldwide IT labour force, whereas we talked with somewhat to very successful professionals. This reinforces our concern that the critical literature is overly focussed on the dark side of remote work. We acknowledge that this dark side exists and that many teleworkers are in a worse place than our interviewees, but our research shows that there are also considerable chances created by the globalization of the IT labour market.

Argentina's IT sector – an introduction

This section explains the growth of Argentina's IT sector since the beginning of the century. It summarizes the pessimistic perspective of Argentinean colleagues regarding national development effects. Afterwards, background information on the workforce and inflation, which is the decisive context factor, is provided.

The sector's growth and national development

Argentina's IT sector started growing considerably after the 2001 crisis (Figure 2), when the convertibility of the Peso and the US Dollar, which had had a fixed exchange rate of 1:1 since the early 1990s, ended. Because of several currency devaluations, salaries became internationally competitive, adding to other advantages such as high-quality human resources trained at the country's public, free-of-charge universities, proficiency in English of many of these professionals and proximity to the time zones of the United States (Ceria & Pallotti, 2010).⁴

In addition to foreign players such as Intel and Motorola, which invested in Argentina about 20 years ago to develop software, numerous companies of national origin have been founded since the end of Dollar parity. Tax benefits and public support schemes, including direct subsidies, for IT firms engaged in exports and/or oriented towards research and development have facilitated the sector's growth. Training programmes for the workforce were introduced in the 2010s (Artopoulos, 2020; Barletta et al., 2016). Argentina's IT sector has, accordingly, shifted towards foreign markets, with exports representing almost 20 per cent of all revenues already in the first years after the 2001 crisis. They had stood at merely 3 per cent in 2000 (López & Ramos, 2009).

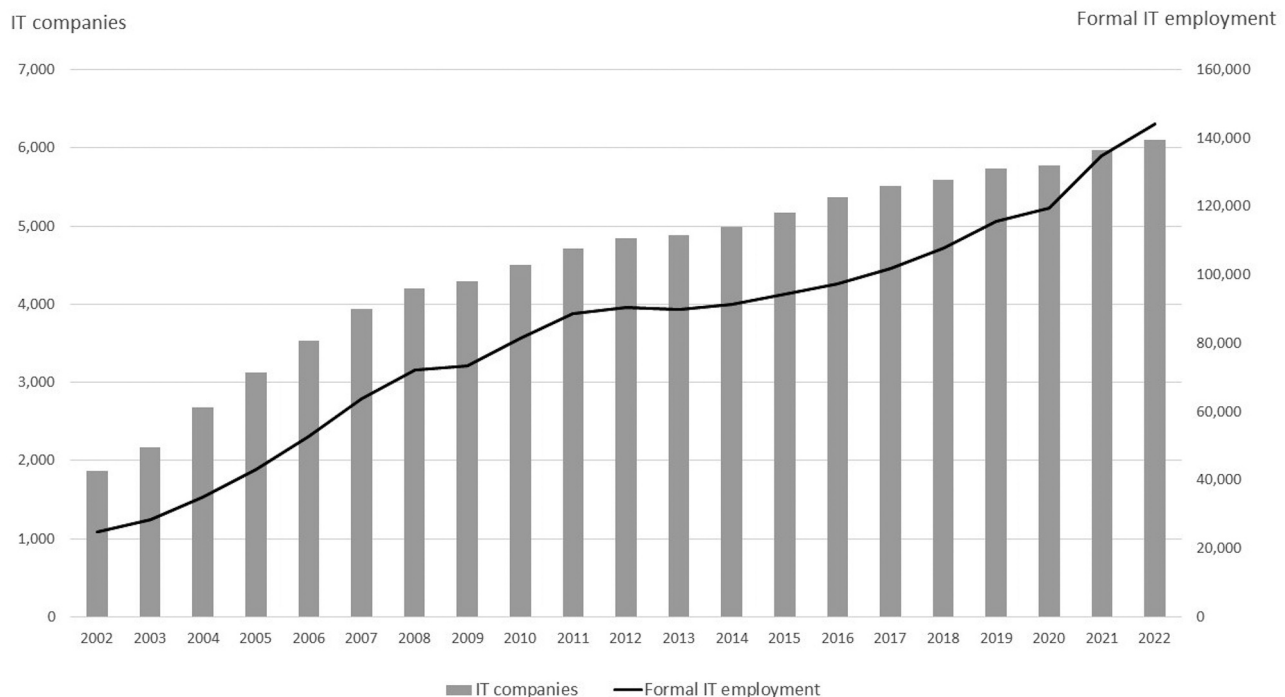


Figure 2. Companies and employment in Argentina's it sector. Source: Authors' own draft with data from the Employment and Business Dynamics Observatory (2024a, 2024b). Note: The share of informal work in the IT sector is considerable, meaning that it has created even more jobs than this figure suggests.

Today, the sector comprises subsidiaries of foreign corporations, large domestic firms – Grupo ASSA and MercadoLibre, for example – and numerous SMEs. About 90 per cent of these firms have fewer than 60 employees. Not more than 15 per cent engage in exports (Perfil, 2022c). As a general tendency, large companies are export-oriented, whereas SMEs cater for the domestic market and focus on tasks of low to medium complexity. Only a handful of the exporting firms have managed to venture into high value-added activities such as software development (Artopoulos, 2018; López et al., 2009).

Against this backdrop, we think that an important challenge faced by Argentina's IT sector is its low internationalization. Companies stagnate due to the limitations of the home market, which lacks economies of scale and, even more importantly, opportunities to engage in very sophisticated tasks. Several Argentinean colleagues, however, stress pitfalls of internationalization. For Artopoulos (2020) and Baum et al. (2022), IT exports are a form of "extractivism". This term is usually applied to resource-dependent territories that export raw materials with little or no value addition. Extractive sectors there are enclaves. They do not connect with the surrounding local economy (Bridge, 2017). The just-mentioned colleagues accordingly emphasize the lack of cross-sector linkages of IT within Argentina's domestic economy. Concentrating on standardized programming, firms and professionals arguably also lose or never acquire capabilities in high value-added tasks – just like local suppliers and workers in resource-dependent territories. Most demonstratively, whilst IT exports skyrocketed during the first decade of this century, very few of these exports were related to research and development (López et al., 2009).

Moncaut (2019) therefore reasons that the short-term interests of private companies are not aligned with more long-term national development objectives. This is best shown by firms insisting on practice-oriented, quick training of IT professionals and hiring students prior to their graduation. Such practices undermine efforts to promote longer, research-focussed university careers. From a critical viewpoint, the export-oriented model hence suffers from continuous downgrading and erosion of the capabilities of Argentina's IT sector, which is reinforced by globally increasing competition in generic, low value-added tasks (Baum et al., 2022).

We are sympathetic to the vision that drives these concerns. Critical researchers would like Argentina to have a high value-added IT sector with domestic companies in a leadership position of production networks and professionals who carry out sophisticated work. However, we have doubts regarding our colleagues'

scepticism. To begin with, IT labour costs in Argentina are higher than elsewhere in Latin America. Competitiveness results from better skills, as pointed out below. Ceria and Pallotti (2010) stressed already 15 years ago that Argentina cannot compete with India on costs only because IT salaries in India are much lower. Argentina's success reflects a mix of competitive costs with decent quality, meaning the skills of its professionals.

Furthermore, competition in low-cost segments of global production networks should be met with process upgrading to gain efficiency, unless firms and professionals can upgrade their services or carry out additional functions for higher value addition. Actually, this is happening. Argentina's best-known IT company, Globant, has ventured from low value-added administration of websites into programming for online platforms and even higher value-added software development. The initial administration of websites went beyond standardized solutions, as it included some ad-hoc development to adapt to the specific needs of the client (Artopoulos, 2018). With regard to IT professionals, a key task for the empirical analysis below is to find out whether their work is really like the extraction of natural resources with characteristics of an enclave economy and continuous downgrading.

The workforce and its national context

IT professionals in Argentina belong to the top 8-per cent income group of all private sector employees. Some surveys suggest that their salary is, on average, twice as high as the private sector median salary, whereas others found a wage gap between IT jobs and all other formal jobs of 27 to 32 per cent, depending on the level of seniority (Perfil, 2022b, 2023). Because of Argentina's historically high inflation rate, it is common to measure whether salary increases compensate for inflation, indicating a gain or loss of purchasing power. Whilst wages in most business sectors lost against inflation in recent years, they more than compensated in IT, at least until about three years ago (Perfil, 2022d).⁵ It appears that certain IT professionals, particularly at junior level, suffered from a decline of their purchasing power in 2023 and early 2024, which suggests an increasing stratification of the workforce (interview II, III, IV, 4, 5).

A report by the digital payment platform Nebeus shows that Argentina is the Latin American country with the second-highest number of IT freelancers, just behind Brazil, which has a much larger total population. Two thirds of Argentina's freelancers concentrate on

graphic/visual design. Their average price is USD 25 an hour. Colombian and Peruvian freelancers can be hired for USD 10 an hour. Argentines have, by far, the highest qualification on the continent (infobae, 2024). It is important to note that telework includes freelancers and remote employees. Remote employees have indefinite contracts that are subject to the legislation of the employer's home country. The Nebeus data can reasonably be expected to apply to remote employees too.

The key context factor is the foreign exchange regime. Argentines rely on the US Dollar for their savings because of the country's history of economic instability, which occasionally turns into hyperinflation (Figure 3). From 2011 to 2025, foreign exchange controls and an unfavourable official exchange rate made access to hard currency – Euro, Pound Sterling or, most commonly, US Dollar – even more important. When we carried out the field research for this article in early 2024, access to foreign currency was limited to USD 200 a month at the official rate. Different taxes added a surcharge of 100 per cent to withdrawals.

Because of these restrictions, Argentines and foreigners who live in the country used to change their money on the parallel market, which was illegal but, in practice, not restricted. The gap between the official rate, or *Dólar Oficial*, and the parallel, also known as *Dólar Blue*, was significant (Figure 4). This made it highly attractive to have an income in US Dollar and change

part of it into national currency at the parallel rate for everyday expenses.

There were many other exchange rates in addition to the official and parallel, depending on the financial operation carried out. Most of them did not apply to individuals, but using a credit card associated with a bank account in Pesos for purchases in foreign currency was even worse than changing Pesos into US Dollars on the parallel market. This *Dólar Tarjeta* not only applied when a credit card was used abroad. Services such as Netflix and Spotify were (and still are) billed in US Dollar for customers in Argentina. Almost needless to say, taxes added further costs to accessing the *Dólar Tarjeta*. For transferring money earned abroad legally into an Argentinean bank account, IT professionals typically used the *Dólar MEP*, which saw an evolution similar to the parallel exchange rate.⁶

Labour dynamics in Argentina's IT sector

On the following pages, labour dynamics in Argentina's IT sector are explained. The section begins with the motivations that drive teleworkers. Inconveniences of remote work are discussed afterwards. This allows for a comparison with the findings by Anwar, Graham, Wood and their co-authors, and also with the critical Argentinean scholarship, to which we return in the conclusion.

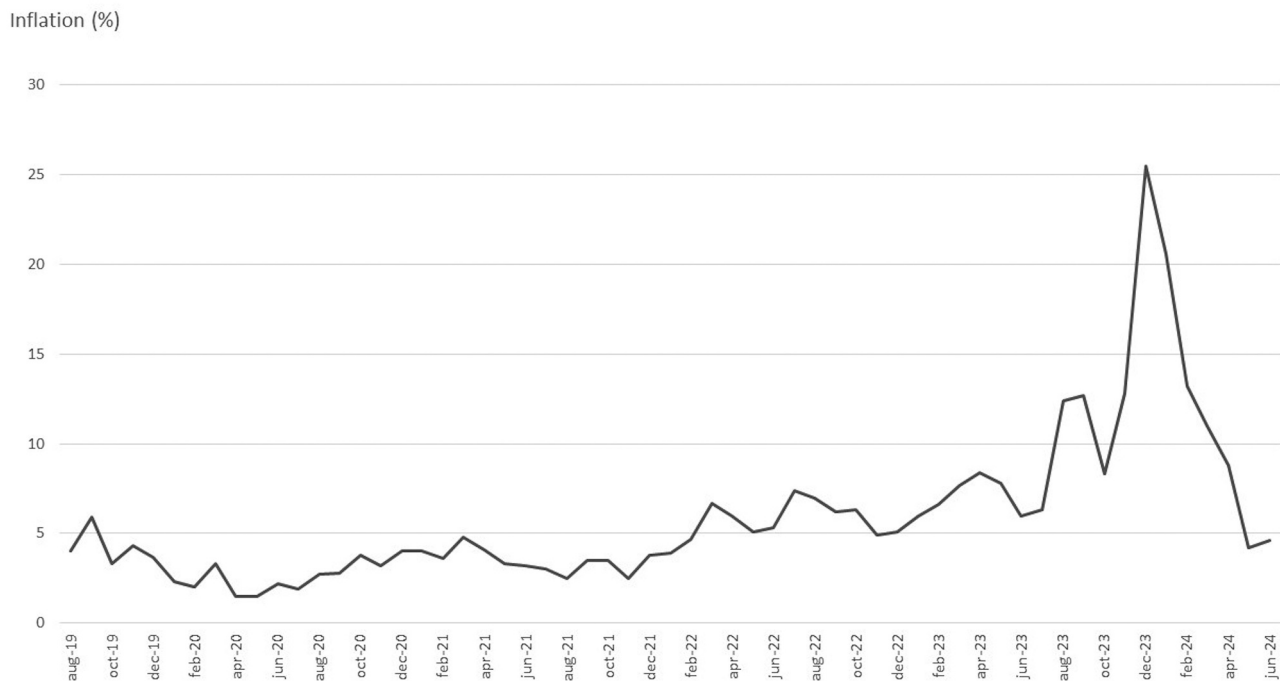


Figure 3. Argentina's monthly inflation rate since 2019. Source: Authors' own draft based on data from the National Institute of Statistics and Census of Argentina (2024).

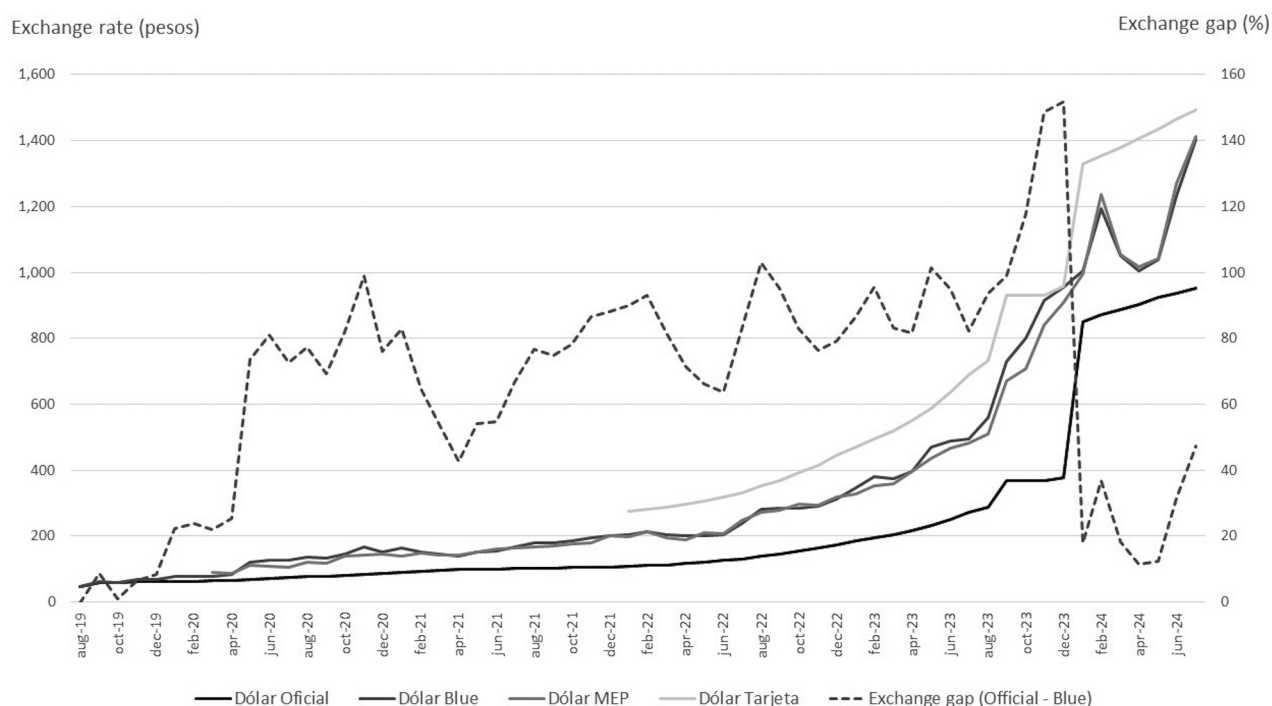


Figure 4. Selected exchange rates Peso–US Dollar since 2019. Source: Authors' own draft with data available online at: <https://www.ambito.com/contenidos/dolar.html>. Note: The abrupt rise of the official exchange rate in December 2023 was due to an adjustment made by the government.

Motivations that drive telework

Unsurprisingly, the interviews confirmed that a key motivation to work for a company based abroad is to earn in hard currency. The need to protect one's income from inflation, "the current situation of the country" and the perception that "Argentina always appears to be in a crisis" are the reasons given by interviewees 4, 6, 8 and 13. Indeed, when we conducted the interviews, the annual inflation rate stood at 276 per cent and there was uncertainty whether the far-reaching reforms announced by the new government would lead to a change for the better or worse.

On top of that, the salaries paid by firms in Europe and North America are much higher, not only but also because of the distorted exchange rate (interview II, III, V, 4, 8, 9). Three interviewees provided concrete figures. These range from 200 to 300 per cent, meaning that someone who earns the equivalent of USD 1,000 a month in Argentina can make USD 3,000 to 4,000 with remote work (interview 10, 13, 19). Interviewee I spoke of annual salaries of USD 70,000 to 80,000 for very qualified software engineers and about USD 48,000 for less experienced professionals. The latter earn the equivalent of USD 18,000 in Argentina. Part-time telework at entry level can already generate a salary that many Argentineans who work full time in other business sectors, especially in the informal economy, do not reach (interview 4).

Some caution is necessary in this regard. Among entry-level programmers in Argentina, there appears to be an illusion of easily and quickly earning a lot of money in hard currency. This has become difficult, especially for IT professionals whose work is standardized and not substantially different from what their peers in Asian low-cost countries do (interview 3).

The high salaries for remote work are (or were) even more attractive because of low living costs in Argentina, at least during the time of our field research. Interviewee 19 had recently begun to work as a freelancer. When we talked with him, he spent 10 to 20 per cent of his income for everyday expenses, including the rent for his flat. According to his own calculation, he would spend half his earnings for the same living standard in a European or North American city.

A human resources executive of an SME told us that it has become practically impossible to hire programmers and software designers because everyone wants to do remote work (interview V). Companies that succeed in attracting new staff suffer from a very high turnover: 40 per cent of their employees quit after one year or less, most likely switching to telework. This translates into high expenses for finding replacements and training them on the job (interview I; Perfil, 2022a).

There are means for firms in Argentina to compensate for high inflation and relatively low salaries. IT

professionals and trade unionists confirmed that wages are adjusted every month to inflation or the Peso's exchange rate with the US Dollar (interview III, 5, 8, 12). Some receive up to 70 per cent of their salary in US Dollar, often into a bank account in the United States or Uruguay (interview III, 2, 12, 17), which suggests tax evasion. Interviewee 5 is paid in national currency, but his salary is about three times what other firms pay as a blended salary. SMEs often make cash handouts to avoid taxation (interview V). Some companies, but certainly not all of them, allow their employees to work from home. They provide vouchers for food delivery services and supermarkets, have discounts on the membership fee at fitness centres, and pay for their employees' mobile phone and Internet connection. Paid time off to participate in IT courses and extra holidays are granted (interview 2, 5, 7, 12, 17, 20).

The disadvantage Argentinean employers cannot compensate for is the foreign exchange regime. To comply with legislation, they have to convert earnings made abroad at the official rate. Their employees then convert their salary back into hard currency at the parallel rate, which leads to a tremendous loss of money. European and North American firms, meanwhile, are at an advantage because even relatively low payments in US Dollar are attractive to people who live in Argentina (interview I, III, VI). Interviewee IV explained that his cooperative can compete with foreign salaries at the official exchange rate, but not at the parallel.

It would be incorrect, however, to conclude that our interviewees only care about a high salary in hard currency and pecuniary advantages. Telework is seen as a new experience and opportunity to engage in interesting tasks that were described as "challenging [in a positive way]" and therefore satisfying (interview 1, 13, 15, 19). Interviewee 5 explained that "Argentinean firms don't always have [...] projects with a high technology content [that involve] software design. Their projects are operational. So [very skilled] software engineers have to do simple coding, but they could design [the software]". In other words, telework enables IT professionals in Argentina to realize their full potential and gain new skills.

Interviewees 7, 10 and 14 added that "small firms [here in Argentina] don't organize their work processes well". Interviewee 2 lamented the attitude of her superiors, suggesting that executives of foreign companies have better interpersonal skills, and interviewee 20 observed that local firms are not, often, up to date regarding the administrative and programming tools they use. A programmer complained about the quality of coding by many domestic firms, which reflects – in his understanding – the fact that they provide low-cost solutions. Senior professionals like him do not want to

engage in that sort of work (interview 16). Telework is, thus, a step ahead in one's own professional career because it means working for better companies and getting involved in more complex, sophisticated activities (interview 8). Interviewee I and II reasoned that teleworkers are isolated and do not gain new skills for that reason. That may be true for some unfortunate freelancers in highly standardized coding, but the findings just summarized lead to different conclusions. Telework means upgrading at an individual level.

It was, moreover, stressed that working remotely has its benefits in terms of flexibility and individual liberties, including the possibility to work fewer than eight hours a day and dedicate more time to personal projects or leisure activities (interview 3, 10, 13, 19). Interviewee 15 is involved in social development initiatives of a disadvantaged municipality in the outskirts of Buenos Aires. Interviewee 4 works remotely for a couple of months each year. Because of the high income he makes during that time, he can continue teaching at a university in the metropolitan area of Buenos Aires. He also supports a local non-governmental organization.

It has to be pointed out that Argentina's IT brain drain is not only about remote work. It also results from professionals moving to the Global North. Working for employers not based in the country is the only alternative to emigration. Several interviewees emphasized that telework has made it possible for them to stay close to their family and friends (interview 8, 10, 12, 17, 19).

Inconveniences of remote work

Only one of the teleworkers we interviewed has been moving from one short-term project to another. Even those who are freelancers tend to benefit from stable working conditions. Interviewee 10, for instance, has been a freelancer at the same company for ten years. He usually works from 9 am to 6pm, Argentinean time, from Mondays to Fridays. The interviewee explained that his initial fears for job security were unjustified. His employer did not fire anyone when sales dropped at the beginning of the Covid-19 pandemic, but cut working hours and wages temporarily for all employees.

Depending on the employer and supposedly also the competitiveness of the professional, some teleworkers get the newest iPhone and MacBook for free. They have stock options at their company and access to courses from which they obtain important certifications (interview 10, 13). These benefits do not apply to everyone. Interviewees 6 and 18 do not receive anything on top of their wage. They work with computers they have bought from their own money, facing constraints because the computers are not suitable for every freelance project that interests them.

One may presume that teleworkers do not have paid holidays and sick leave, that they get paid only for the time they actually work. This is a drawback stressed by interviewees IV and VI, who wanted to exemplify the inconveniences of telework this way. Still, only some teleworkers are freelancers, whereas others work as remote employees. Interviewee 13, who belongs to the latter group, said that he has more holidays than his peers who work for firms based in Argentina. His employer also pays for the best medical insurance available in the country, which is another counterintuitive finding.

There are, of course, challenges of telework. The immediate problem is how to access one's salary at a favourable exchange rate and without getting caught with wrong tax filing. We heard adventuresome stories of people travelling from Buenos Aires to Uruguay by ferry boat and returning with hundreds or a few thousand US Dollars in cash hidden in their pockets (interview IV, 12). The more common approach is to get advice from an accountant so that part of the income can be transferred legally into an Argentinean bank account denominated in US Dollar, with the associated taxes remaining as low as possible (interview 10, 13, 19).

Interviewee V explained that personal situations may complicate telework, in particular in the freelance form. She referred to single mothers, as they obviously need a reliable income and social security. The same applies to men whose income maintains a family (interview 6). There is very little that teleworkers, even remote employees with an indefinite contract, can do if they are laid off from one day to another. Freelancers always have to worry about what comes next after their current project. Employees of firms based in Argentina, conversely, are legally protected and get a compensation payment if dismissed. In spite of the case mentioned above, teleworkers usually have to take care of their health insurance. They do not contribute to the public retirement system (interview IV, VI, 19). Yet, paying for health insurance privately is neither difficult nor expensive in Argentina, and the public retirement system does not guarantee a decent old-age pension. Teleworkers can, moreover, register for a low-income, flat-rate tax called "monotributo", which has been introduced to reduce informal work. This way, they make modest contributions for their retirement (interview 4).

There are other, less severe inconveniences. Remote work requires self-discipline. It reduces social interaction and spending all the time at home is not ideal for one's mental well-being (interview 10, 15). These problems however also affect employees of Argentinean firms who work from home (interview 2, 7). Teleworkers are often integrated into teams of their employers. For these

teams, the holidays of the employer's country apply, not those of Argentina. This complicates organizing free-time activities with family and friends (interview 13). Time zone differences between the members of virtual teams can be unpleasant (interview 3, 4).

It needs to be stressed that not everyone who works in the IT sector can also work remotely for foreign companies – people who handle customer support and human resources, for instance (interview III, V, 21). Many Argentinian professionals, especially if they are in their mid-50s, use outdated programming languages and practices. They do not qualify for telework (interview V, 15). English language proficiency is a major barrier, as interviewees 5, 6, 15 and 20 told us from their own experience. In other words, the lower-end IT labour force hardly benefits from the numerous advantages of remote work for companies from the Global North.⁷ There is, of course, some variation in this regard. IT professionals whose work is limited to coding do not have to speak English fluently, although language skills increase their chances with the most attractive employers. Other profiles, in particular project management, require fluency at an almost-native-speaker level.

Potential employers abroad also ask for certifications, which are costly and have to be paid in hard currency (interview 4, 18). Expectations regarding the technical abilities of an IT professional are higher in Europe and North America. Programmers who work at junior level in Argentina, carrying out standardized coding, tend to be considered insufficiently skilled by firms from the Global North. Argentinian senior professionals usually start at junior positions abroad (interview III, 4, 18).

Conclusion

Contributing to better understanding opportunities and pitfalls of IT telework in the Global South, this article provided insights on Argentina, which has seen a significant draw of the workforce towards remote work in recent years. In Argentina, IT telework is driven by inflation, a distorted exchange rate with the US Dollar and restricted access to hard currency, as well as higher salaries paid by Northern companies. Telework also represents a step ahead in one's professional career. It allows teleworkers to carry out more interesting, sophisticated tasks for firms that tend to be better than their Argentinean peers. They join a globalized labour market without leaving the country. Teleworkers benefit from freedom to organize their own work schedule, coordinating it with other activities. In some cases, they get courses and IT equipment for free.

There are also downsides. Freelancers do not know whether they will be able to move from one project that

generates a high income to another. Remote employees face the risk of losing their job from one day to another. However, our interviews indicate that these are problems that might occur, rather than an everyday reality. We did uncover challenges such as access to the earnings made abroad. Teleworkers do not necessarily contribute to the public pension system. Getting health insurance is usually their own responsibility. Holidays and work hours can be inconvenient. There appears to be a stratification of the workforce too, with some remote workers having to buy their IT equipment from their own money. Many IT professionals cannot engage in remote work because of language barriers and insufficient programming skills. Figure 5 brings these findings together.

It is intriguing that the drawbacks summarized by Figure 1 hardly apply to our case study. For some of them, in particular low salaries and difficulties to upgrade, the opposite is true. There is a lot for IT professionals to gain from engaging in a globalized labour market. Further research is necessary to find out why the findings presented here are so different from the state of the art. As said, Anwar, Graham, Wood and their colleagues apparently limit their research to low-end teleworkers who rely on platforms, whereas we talked with more skilled, more successful professionals. This reinforces our call to better recognize the ambivalence of this phenomenon. Not everything is as dark as the state of the art suggests, but the bright sides emphasized here are not the full picture either.

Another topic for follow-up research is spatial differentiation. We do not know whether the opportunities of remote work apply to the whole of Argentina, including remote towns and rural areas. All interviewees who have not emigrated live in Buenos Aires, the capital and economic hub, and Rosario, which is the third-largest city. In an insightful article on remote work in Europe, Kapitsinis (2025) identified national legislation as well as demographics and structural features of the economy at the subnational level as factors that explain to which extent labour markets digitalize. It is plausible to expect that economically dynamic, innovative cities with a strong tertiary sector and young population are more likely to benefit from the phenomenon analysed in this article.

Follow-up research should also delve deeper into the issue of national development. We would not describe the role that firms in Argentina, especially supposed software factories with an assembly-line kind of work, have taken for IT professionals as extractivism and a race to the bottom in terms of skills and wages. Interviewee 9, who began his career as an employee of a large Argentinean IT firm, explained that “[major companies in Argentina] pay very low salaries [...], but they have a good name and well-organized projects [very much unlike SMEs]. [As an employee at these firms] you’ll find almost unlimited resources and people who’ll guide and help you. This compensates [for the low salary] and I’m convinced that working for [these companies] is a good choice for [IT professionals of] a certain age [and for a couple of years]”.

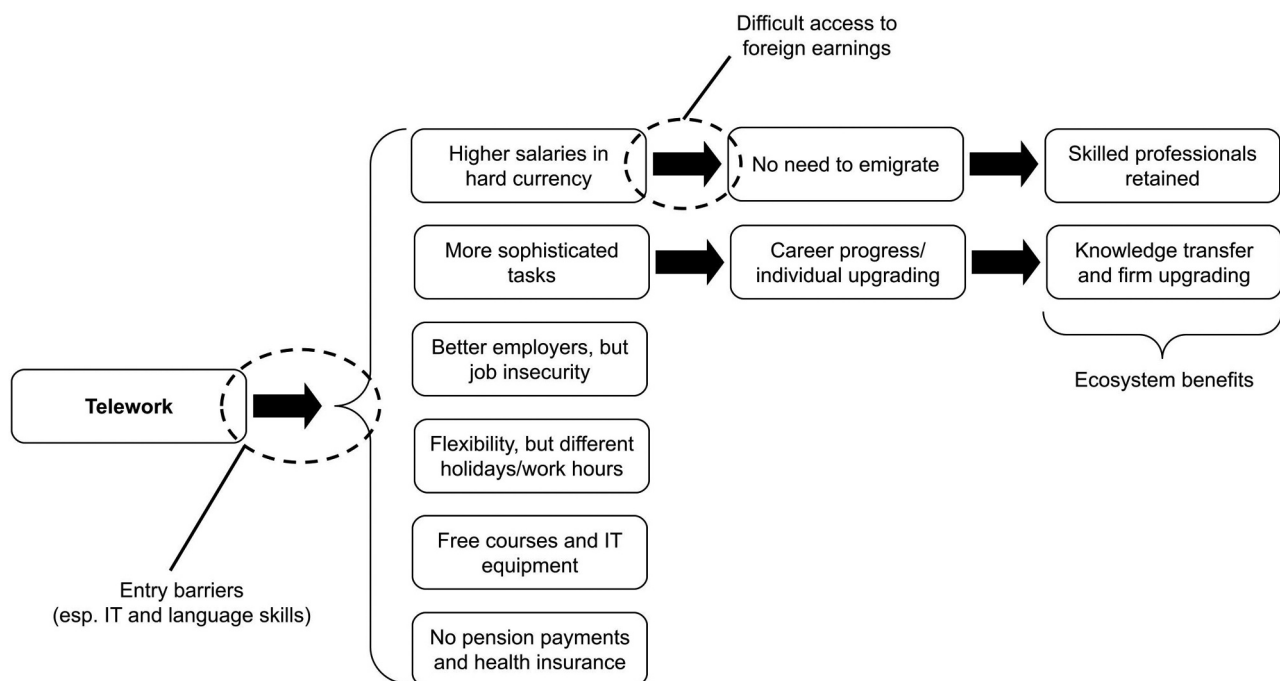


Figure 5. Benefits and drawbacks of it telework – our findings. Source: Authors’ own draft.

Relatedly, we noted that teleworkers remain part of the national economy and IT ecosystem, instead of emigrating. Interviewees 1, 1 and 6 explained that teleworkers usually teach at local universities, run a start-up in their hometown and/or do some freelance work for other businesses there. It is easy for them to rejoin the domestic labour market and bring in the skills they have gained whilst working remotely, boosting in-country value addition. This could hardly be more different from the enclave economies that mark resource-dependent territories. Professionals who emigrate, conversely, do not maintain ties with Argentina's IT sector (interview 1, 9, 11, 16).

Notes

1. Arguing that this article merely provides insights on the very particular Argentinean case that cannot, in any way, be generalized would be a typical misunderstanding about case-study research (Flyvbjerg, 2006).
2. D'Cruz and Noronha (2016), on the other hand, point out that these platforms have certain mechanisms to guarantee that teleworkers are paid and treated decently.
3. Admittedly, not all remote IT workers earn great salaries. Wood et al. (2019a) cite several African interviewees who complain about very low wages paid by European and North American clients.
4. According to the EF English Proficiency Index, available online at <https://www.ef.com/wwen/epi>, Argentina is the only Latin American country that reaches a high level of proficiency in English. This does not mean that the average Argentinean is fluent in English. IT professionals have to participate in English classes as part of their training on the job.
5. The Permanent Observatory of the Software and IT Industry of Argentina frequently publishes data to compare IT salaries with inflation and the exchange rate to the US Dollar. For more information, see: <https://cessi.org.ar/opssi>.
6. In May 2025, the restrictions on changing Pesos into US Dollars ended. Multiple exchange rates still exist, but people in Argentina can now convert as many Pesos as they like at an official exchange rate that is almost identical to the parallel exchange rate.
7. As an aside, we doubt that the Argentinean IT professionals who do not pass these barriers are part of the globalized low-end workforce the critical literature concentrates on. Their job opportunities appear to be limited to the domestic market.

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