

# **A Conceptual Framework on Informal Work and Informal Worker Organizing**

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## **Introduction**

The following is a discussion document for *Experiences in Organizing Informal Workers: A Comparative Investigation*<sup>1</sup> (EOIW), a transnational collaborative research project led by the UCLA Institute for Research on Labor and Employment. The project's principal object of analysis is organizational forms and strategies used by informal workers to increase political voice, economic leverage, and social standing. To create a common language and context for this discussion, we must also specify what we mean by both informal work and informal worker organizing. We examine the former topic in Section 1, providing a brief history of the terms "informality" and "precarity," a discussion of associated conceptual problems, and proposals for how to address them. We address the latter topic in Section 2 through a discussion of the history, forms, and strategies of informal worker organizations, and the relations of such organizations to the state, political parties, and formal worker labor unions. This is intended as a living, iterative document that will evolve based on EOIW participants' suggestions and findings.

## **SECTION 1. INFORMAL WORK**

### **A Brief History of Scholarship on the Informal Economy**

Once seen as a "transitory phenomenon" that would be erased by economic development, precarious informal work now threatens to become the modal experience of workers in the Global South and an increasingly prevalent condition in the Global North as well (Agarwala 2009: 317). Current conceptualizations of precarious informal work and the persistence of the assumption that employment is divided between an "informal sector" and a "formal sector," or in more extreme versions that there is an "informal economy" and a "formal economy," can only be understood if they are set in the context of the history of research and theorizing on informal work.

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<sup>1</sup> We titled our original document "Organizing Experiences in the Informal Sector," but have chosen to rename the title to emphasize worker agency and avoid the implication that informal work happens in a distinct sector of the economy.

In the 1950s and 60s, development specialists and national authorities commonly referred to low-income, unregistered jobs in the developing world as the “traditional sector,” reflecting an optimism that traditional forms of work and production would soon give way to vibrant, modern economies. Such optimism was fueled in part by successful rebuilding efforts in Europe and Japan, which led many to believe that economy-building initiatives in newly decolonized countries would yield similar results. By the mid-1960s the optimism began to fade due to pervasive and seemingly intractable unemployment in registered jobs (Bangasser 2000). Meanwhile, a 1972 International Labor Organization (ILO) report on Kenya found that unregistered work was not only growing, but often emerging in “economically efficient and profit-making” activities (ILO 1972). This led the report’s authors to replace the phrase “traditional sector” with “informal sector”—a term which had been coined a year earlier by British Anthropologist Keith Hart (1973).

The term “informal sector” met initial resistance from many development experts and state authorities who still considered unregistered employment a temporary problem. Over the next two decades, however, the term was widely adopted and used to describe activities in advanced industrialized economies as well as developing ones. By the late 1990s, many scholars began consciously using the term “informal economy” to call attention to the fact that informal work does not constitute a “sector” in the sense of a specific industry group, but rather a broad and heterogeneous series of economic activities and enterprises. Four dominant schools of thought emerged in regards to the informal economy: dualist (Hart 1973; Sethuraman 1976; Tokman 1978), structuralist (Moser 1978, Castells and Portes 1989), legalist (de Soto 1989, 2000), and voluntarist (Maloney 2004).<sup>2</sup> For a summary of these schools of thought and a more detailed history of the informal economy, see Women in the Informal Economy, Globalizing and Organizing’s (WIEGO) “History and Debates” page: <http://wiego.org/informal-economy/history-debates>.

### **Defining Informal Work**

One of the legacies of early notions of two distinct economies a “traditional” one and a “modern” one is the tendency to refer to an “informal sector” or even an “informal economy” as though informal work operated in markets that were somehow disconnected from those served through formal employment. In fact, of course, informal and formal work are inextricably intertwined in the contemporary economy. Even the most modern sectors of the economy depend fundamentally, even if sometimes indirectly, on goods and services produced by workers who lack the benefits of formal contracts or legal protections.

Since the term’s inception in the early 1970s, scholars in several disciplines have proposed competing definitions of the informal sector. Based on a review of thirty such definitions, Godfrey (2011: 231) concludes that “current definitions of the informal economy fail to

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<sup>2</sup> As cited in WIEGO 2012

converge around a unitary construct.” In 1987, this definitional incoherence led Peattie to suggest that we abandon the “exceedingly fuzzy concept” altogether and instead focus on comparative studies of specific economic institutions and policies. Peattie argued that groups with interests in poverty alleviation, Marxist structuralism, growth planning, and economic accounting have each appropriated the term for their own divergent and often conflicting aims. As a result, “it serves all of these groups as a banner. It serves none of them adequately as a tool of analysis or as a framework for developing policy” (Peattie: 857).

A plurality of definitions for informality exist, as Godfrey points out, yet we contend that a consensus is emerging around definitional approaches that focus on the absence of legal regulation. We thus recommend such an approach for EOIW and propose defining informal work as labor that creates legal goods and services, but is not regulated nor protected by the state in ways that other labor is.<sup>3</sup> This definitional approach was first proposed by Portes and Castells (1989), and later widely adopted (e.g., Tardanico 1997, Cross 1998, Hussmanns 2004, Agarwala 2009). One advantage of this definition is that it defines informality in relation to state policy, thereby creating ostensibly clear lines of demarcation (Collier 252). In practice such lines often become muddled,<sup>4</sup> but they still provide the potential for a sharper conceptual framework than definitions that highlight the precarious nature of informal work or the lack of bureaucratic sophistication of informal enterprises. Moreover, the lack of state regulation and protection is a characteristic that decisively shapes the terrain for organizing, making this definition particularly suitable for our enterprise of analyzing the organizing of informal workers.

Though the conceptual problems that Peattie identified a quarter century ago persist, we contend that the “informal economy” is a useful analytical construct. It calls attention to an overlooked phenomenon with critical ramifications for formal and informal workers alike. Also, it encourages the study of patterns of threats and opportunities that unregulated economic activity poses to labor and labor movements across diverse social, political, geographic, and economic contexts. Such comparative approaches can generate new ideas about how to increase the ability of informal workers to act collectively to advance their social and political interests. Like any theoretical concept, however, informality elucidates certain phenomena while obfuscating others. In the following sections, we outline three major conceptual problems that persist in current thinking and research on “informal work” and potential approaches to addressing them.

### **Conceptual Problem 1: Conflating Informality and Poverty**

The fact that most of the world’s poorest people work in the informal economy leads some observers to use the terms “informal” and “poor” almost synonymously, as well as other terms associated with vulnerability such as “marginalized,” “excluded,” or “precarious.” But not all

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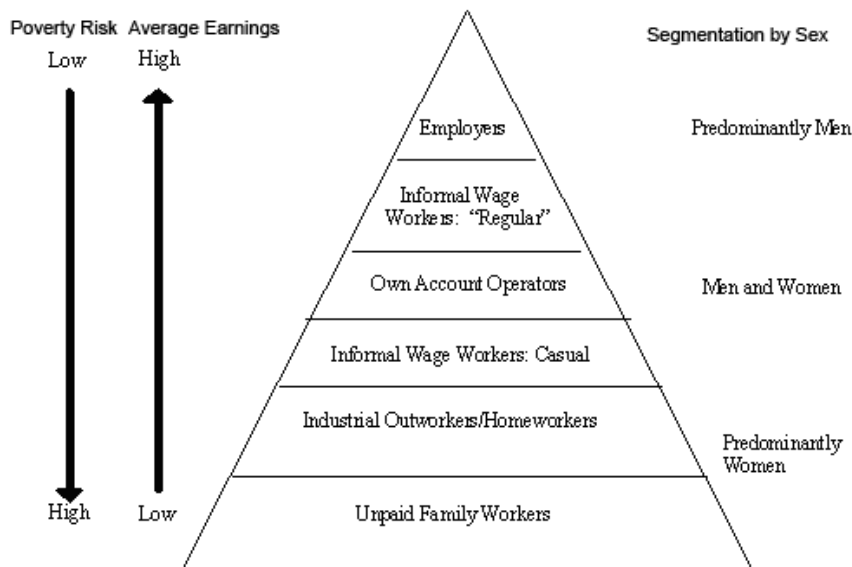
<sup>3</sup> This leaves open the questions of (1) whether the labor is unregulated or unprotected by design of the law or just by actual practice, (2) whether the labor is unregulated and unprotected in all particulars, or only in some. We discuss these issues further under “Conceptual Problem 3: the formal/informal binary”, below.

<sup>4</sup> Again, in reality, such lines do not always prove clear --see “Conceptual Problem 3”.

informal workers are poor, nor are all working poor employed in the informal economy (Peattie 1987).

The tendency to conflate informality and poverty poses at least two hazards to the study informal worker movements. First, a narrow focus on imbalances between formal and informal workers may lead us to overlook hierarchies within the informal economy. Based on a review of five research studies spanning 20 developing and newly industrialized countries, WIEGO finds—not surprisingly—that formal workers earn higher average incomes than do informal workers (WIEGO 2012). WIEGO’s more remarkable finding, however, is that an income and poverty risk hierarchy exists within the informal economy that bares striking resemblance across countries. Informal industrial outworkers earn the lowest wages, followed by casual wage workers and domestic workers, then followed by own account workers, and finally followed by “regular informal employees.” Informal *employers* have the highest average earnings and lowest risk of poverty. Men are overrepresented at the top of this economic totem pole, and women at the bottom.

Table 1. WIEGO’s “Holistic Framework”<sup>5</sup>



Source: reproduced from WIEGO 2012

Such hierarchies have important implications for informal worker movements, as worker’s locations within them may affect their ability to participate in and benefit from collective organizing. For example, Rosaldo (forthcoming) finds that in Bogota, Colombia, relatively better off waste pickers sometimes exclude their homeless counterparts from joining cooperatives. The cooperatives fight to win compensation from the city for their ecological and economic

<sup>5</sup> Retrieved from <http://wiego.org/informal-economy/wiego-network-holistic-framework>

contributions, but depending on how such compensation is distributed, it may reify class and gender-based hierarchies within the waste picking economy.

A second potential hazard of conflating poverty and informality is the tacit assumption that “the more highly corporatized the economy, the better will be the position of working men and women” (Peattie: 8). Were this the case, the aim of informal worker movements might simply be to formalize their work places under traditional hierarchies, rather than to generate new rules and institutions to increase worker voice and power. Informal worker movements generally push for the formalization of aspects of their jobs, demanding legal recognition and protection for their work. However, at times they may also seek to strategically preserve elements of informality. For example, waste picker cooperatives in Bogota fight both to win formal contracts from the city for services such as curbside pickup and to protect the right to pursue their trade informally by challenging laws which prohibit the opening of trash bags (Ruiz-Restrepo and Barnes 2010).

The WIEGO Holistic Model disambiguates the concepts of poverty and informality by demonstrating divergent earnings and poverty risks across segments of the labor force. Swidler (2012) takes another approach to addressing conflation problem in her ethnography of rural migrant construction workers in China. She combines informal work (unregulated) and precarious work (low wage, lack of social protections and employment stability) into a single term—“precarious informal work”— which suggests that precarity and informality are distinct, but overlapping concepts. EOIW’s object of study is movements of workers at the intersection of precarity and informality, thus Swidler’s term may prove useful.

### **Conceptual problem # 2: Washing Over Heterogeneity**

The informal economy encompasses enormously heterogeneous and complex forms of work. Yet observers frequently make blanket generalizations about the informal economy as if it were a unified industry or class of workers. Such loose language leads to false debates. According to WIEGO (2012):

The debates between dominant schools have tended to generate more heat than light in large part because each school of thought has focused on one or another ‘slice of the (informal economy) pie,’ not on the whole pie. The dualists focus on those engaged in traditional and survival activities; the structuralists on petty traders and producers as well as sub-contracted workers; both the legalists and voluntarists on informal enterprises and entrepreneurs.

The central debates over the informal economy represent fundamentally different approaches to social theory and would not likely be resolved if scholars simply focused on the same “slice of the informal pie.” Such debates would become more productive, though, if scholars used more precise language about the informal activities in question.

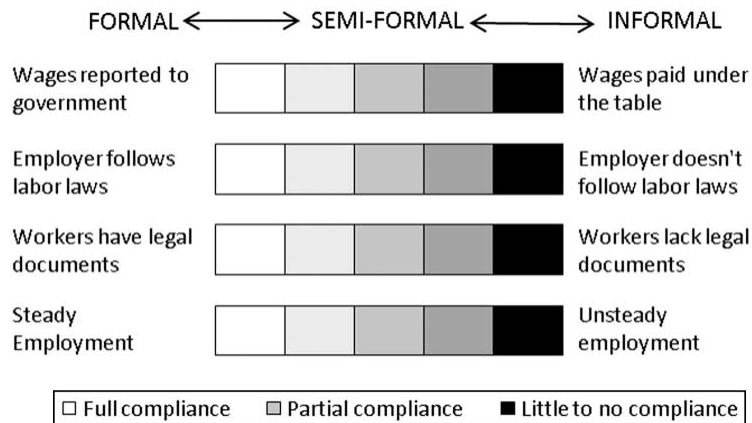
One approach to curbing the tendency towards overgeneralization is simply to make more grounded, tempered claims. For example, scholars should avoid making sweeping statements about the nature of informal worker movements based on a single case study of an informal motorcycle taxi driver union in Manila or a garment worker cooperative in Lagos. Another approach is to generate theoretical frameworks and typologies such as WIEGO's Holistic Framework (Table 1) to facilitate more precise comparisons across industries and locations.

### **Conceptual Problem #3: the Formal/Informal Binary**

Twenty-five years after coining the term “informal sector”, Hart (2006: 24, 29) warned that the concept poses an either/or fallacy. The informal/formal dichotomy “gives the impression that [informal and formal] are located in different places, like agriculture and manufacturing” and leads scholars to “mistake the category for the reality it identifies.” In fact, the formal and informal economies are closely interwoven and many enterprises exist in a grey area between the two ideal types. For example, Roever (2005: 172) finds that street vendors in Lima, Peru are “informal” in the sense that they do not pay income taxes nor comply with health and labor regulations, but many of their activities are regulated, and thus they engage in “a continuous process of negotiation over... partial formalization measures” with state officials. Fercher (2008: 250) argues that many regulations presumably govern the practices of street vendors in Nanjing, China, but these regulations are infrequently and selectively enforced, leading him to label some of their activities as “neither legal nor illegal.” Fercher’s case study suggests that classifications of informality should not only consider what regulations exist de jure, but whether or not enterprises comply with them de facto.

Cobb, King, and Rodriguez (2009) run up against a parallel dilemma in their investigation of undocumented Mexican laborers in Portland, Oregon. Based on findings that employers habitually violate minimum wage, overtime pay, and workplace safety laws, they coin the term “semi-formal” to describe work that lies squarely between formal and informal. They also propose the following “spectrum of informality” to envisage the intermediate area between the two poles.

Table 2. Cobb, King, and Rodriguez’s “Spectrum of Informality”



*Source: reproduced from Cobb, King and Rodriguez (2011: 367)*

While Cobb, King, and Rodriguez's spectrum of formality focuses on enterprise attributes, another approach to addressing the binary problem might be to create a typology of employer-employee relations, arranged in a continuum from more to less formal:

- a) Formal jobs in which underlying terms of employment have been casualized (reduced security of tenure, reduced or eliminated social security programs)
- b) Formal jobs in which underlying terms of employment have always been casual (restaurants, long-term employment in agriculture [short-term is typically d])
- c) Outsourcing or subcontracting of jobs from one collective, formal employer, to another collective, formal employer (subcontracting)
- d) Outsourcing of jobs to an individualized, formal employer (e.g. temp agency or labor contractor)
- e) Conversion of employment relationship to individual contractor relationship with the same large-scale formal employer (port truckers, converting construction workers to individual contractors)
- f) Employment in small but collective informal businesses (large informal businesses, whether legal or illegal, don't fit neatly into this array)
- g) Informal self-employment (Domestic workers, day laborers, street vendors, informal car washers, trash recyclers, etc.)

In this spectrum, the top of the array is more of an issue in rich countries; the bottom is more salient in poor countries. Also, the top of the array touches more on unionized workforces and their concerns, whereas the bottom is the main terrain of informal worker organizing (cooperatives, vendor associations, etc.).

### **Precarity and Informality**

“Precarity” has a less lengthy and convoluted history as a way of characterizing work than informality. Precarious work is work that is uncertain, unpredictable and undependable in a

variety of ways. While informality points our attention to the failure of state institutions to provide a legal and regulatory framework that might give workers security, a “precarity” perspective assumes that uncertainty and insecurity have a variety of roots. Workers precarious relations with the market for their services are fundamental. Precarious workers are victims of the market and lack power to make claims on it. The demand for whatever it is that they have to offer in the market is uncertain and unpredictable. In the absence of institutionalized protections, either as part of a legal and regulatory system or via collective political power, that can mitigate the underlying precariousness of the workers’ relations to market, the workers livelihood and their lives become precarious. Of course, as with "informal," the term "precarious" implies comparison with some more stable alternative (after all, all employment under capitalism is to some extent precarious). So the term "precarious" is particularly useful in highlighting the contrast between expectations and the actual nature of work in contexts where precarity has increased over time.

While informal work is characteristically precarious, work may be precarious even if it involves “formal” employment relations. Indeed, the new focus on precarity emerged out of the realization of scholars working on employment relations in the Global North that even workers who were considered part of the “formal sector” were in precarious jobs, facing uncertain and unpredictable futures. Guy Standing (1999, 2011), whose work, while global in its orientation focuses particularly on the recent transformation of the character of work in Europe, probably deserves credit for having popularized the term. Kalleberg (2009) has followed Standings lead and applied the term to formal sector employment in the United States.

Work on precarity (like more recent work on informality) has also emphasized the lack of full citizenship rights as a fundamental source of precarity. Swider’s (forthcoming) work focuses on the lack of citizenship rights created by the hukou system in China and reinforced by the repressive character of the authoritarian party-state. Others have made parallel arguments for the centrality of incomplete citizenship in exacerbating precarity among immigrant workers in the United States (Bank Muñoz 2008, Gammage 2008, Milkman 2006, Zlolinski) and elsewhere (Tilly 2011). Agarwala extends the argument further by showing how incomplete citizenship rights contribute to precarity even among native born workers in formally democratic India.

By using the term “precarious informal work” to describe the situation of what they, and we, would assess as the new majority of workers in the Global South, Swider and others emphasize the fact that it is not simply the absence of an effective regulatory environment that characterizes the work involved. Rather it is the absence of formal regulation and legally binding contracts with an employer coupled with overwhelming insecurity and uncertainty. It also counters a vision in which “informal” workers are seen as enjoying the benefits of having escaped from the oppressive burden of state regulation and are therefore able to reap the full rewards of their entrepreneurial efforts. Thus, “precarious informal work” probably captures the plight of the new majority in the Global South more fully than simply saying that their work is “informal.”



## **SECTION 2: INFORMAL WORKER ORGANIZING**

Organizing precarious informal workers is the biggest challenge facing the global labor movement today, certainly in the Global South arguably in the North as well. Traditionally, labor unions and scholars dismissed informal workers as “unorganizable” due to their lack of legal protections, recognized employers or other obvious negotiating counterparts, institutional experience, and surplus income for dues. Moreover, they feared that the atomized, geographically dispersed, and mobile nature of informal worksites posed calamitous collective action problems. Nonetheless, in recent years, millions of street vendors, domestic workers, home-based producers, waste pickers, and other low-income informal workers have begun mobilizing on the local, national, and transnational levels. How do informal workers in hostile social, political, and economic contexts organize to demand labor and human rights? In the following section we address this question through a brief examination of the history, organizational forms, and strategies of informal worker movements.

### **Historical Overview**

Gallin (2011:1) argues that “there is nothing special in history about organizing informal workers,” as all workers were informal until the emergence of the labor movement at the dawn industrial capitalism in the 18<sup>th</sup> century. Nonetheless, for the last 75 years, three generations of organizational memory, the dominant mode of labor organizing has been based on the “industrial unionism” model. Industrial unionism is premised that workers are joined together by a common formal employment relation that allows them to bargain with employers, whose profits depend on production in fixed locales and who therefore have a strong interest in maintaining production in those locales. This premise is no longer a good starting point, even for manufacturing workers with “formal” jobs, but it makes no sense at all for many, if not most of the world’s workers. As Fine (2007:336) puts it, “The old order of industrial relations has disintegrated and scholars are searching for signs of what will replace it for workers, firms and unions.”

One hundred fifty years of work by trade unions facilitated the creation, dissemination, and implementation of modern labor rights norms, but left out many workers—especially in occupations dominated by women, immigrants, and other marginalized groups. Perhaps then, what makes recent efforts at informal worker organizing “special” is the recognition that the informal economy is here to stay and the vitality of labor movements in the Global North and South alike hinges on their ability to incorporate excluded workers. This task not only demands resources and political will from traditional union leadership, but openness to diverse organizational forms and approaches, alteration of patriarchal attitudes given the predominately female workforce, and respect for informal worker leaders who have already paved the way (Bonner and Spooner 2011).

The establishment of India’s Self Employed Women’s Association (SEWA) in 1972 was a signal event in the contemporary informal workers movement. Eleven years later, SEWA became the

first informal worker union to gain recognition by a major international trade union organization, the International Union of Food and Allied Workers. SEWA is now the world's largest informal workers' organization with a membership of over one million women. In the 1980s, domestic workers, waste pickers, and home based producers in Latin America, Africa and other parts of Asia began forming local organizations as well (Gallin 2011). It was not until the 1990s and 2000s though, that a significant number of them united into regional, national, and transnational networks, which in turn led to a rapid acceleration in local organizing.

Over the past fifteen years, national and transnational networks of waste pickers, street vendors, home based producers, and domestic workers have helped create and strengthen thousands of local organizations, and facilitated information exchanges between them. Transnational networks also organize solidarity campaigns to assist in local struggles. For example, solidarity statements from waste picker federations across Latin America helped waste picker cooperatives in Bogota gain credibility and leverage in a 2010 battle over policies regarding the city's largest dump. Another key function of the transnational networks is to engage with transnational governance agencies. Such efforts have resulted in adoption of International Labor Organization resolutions on the rights of home-based workers (1996), informal workers (2002), and domestic workers (2011). Also, since 2009, delegations from the Global Alliance of Waste Pickers have attended six global climate change conferences to demand that climate funds invest in resource recovery programs that will help ensure waste pickers' livelihoods, rather than waste disposal technologies such as incinerators.<sup>6</sup>

For more on the history of informal worker movements see WIEGO's "Organizing in the Informal Economy" page: <http://wiego.org/informal-economy/organizing-informal-economy>

### **Organizational Types and Strategies**

Traditional NGOs (non-member based) often play a key role in helping establish and support member-based organizations (MBOs), such as unions, cooperatives, and associations.<sup>7</sup> MBOs employ two principal strategies to increase worker political and economic power. First, they fight for labor rights and representation, using protest and advocacy to make worker voices heard to governments, businesses, and transnational governance organizations. Workers may seek welfare benefits from the state, or more traditional work benefits such as living wages, improved working conditions, and pensions. In many cases, especially those involving own-account workers, they make demands for a variety of quasi-property rights (for example, access to preferred street vending locations, a right to ply one's trade free from harassment or extortion by police, trash collection contracts or preferential access to recyclables; see, for instance, Saha 2012) Second, they build cooperatives and other collective enterprises that enable workers to

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<sup>6</sup> For details see <http://wiego.org/wiego/waste-pickers-united-nations-climate-change-conferences>

<sup>7</sup> The term "associations" typically refers to federations of cooperatives. Other membership organization names include "guilds," "quasi-unions," "microenterprises," "mutual aid societies," and "self-help groups." The meaning of these terms—as well as of "union," "cooperative," and "association"—varies across political and industrial contexts.

pool resources and move up the value chain. The latter strategy is mainly used by own-account workers, while the former is commonly used by both own-account and employed workers. Due to low-income member bases, informal worker MBOs commonly rely on outside funding sources such as foundations and development banks to supplement membership dues (Gallin 2011).

Table 3 distinguishes between traditional NGOs and MBOs, and between business development and labor rights strategies. These are intended as ideal types—in practice, most informal worker organizations employ hybrid approaches. For example, SEWA is a trade union, but uses “a twin strategy of struggle and development” (Bonner and Spooner 2011: 94). SEWA members protest, advocate, and negotiate to win concessions from government and business, but also have formed over 100 cooperatives. SEWA contains “sister organizations” that operate more like conventional NGOs, engaging in research and advocacy, or providing housing, child care, insurance, education, and banking services. Meanwhile, Latin American waste picker cooperative federations commonly devote more organizational energy to political organizing than to microenterprise development. In the U.S., migrant worker centers combine service, advocacy, and organizing in order to better the conditions of laborers, domestic workers, and other low wage workers. Worker center governance structures combine elements of MBOs (democratic member input) and NGOs (professional non-members leadership) (Fine 2007).

<b>Table 3. Organizational Approaches (ideal types)<sup>8</sup></b>		
	<b>Business Development</b>	<b>Labor Rights</b>
<b>Member-Based Organization (MBO)</b>	Cooperative (own-account workers)	Union (employed and own-account workers)
<b>Conventional NGO</b>	Direct Service NGO	Research and Advocacy NGO

Since informal workers are often own-account or have employers who are atomized (as in the case of domestic work or day labor) or distanced (as in the case of outwork), it is not surprising that informal worker mobilizations and demands are often principally directed at the state. Indeed, Chun (2009) argued, based on studies of home care workers, golf caddies, and outsourced janitorial workers in South Korea and the United States, that a typical strategy is to engage in “classification struggles” to be regarded as employees, drawing on “symbolic power” to create issues of public morality, both of which often involve drawing in the state. It could be

<sup>8</sup> Based on categories from Bonner and Spooner 2011

added that some organizing approaches place more emphasis on the classification struggle itself, others on using symbolic power to win rights more directly. The former characterizes home care workers in California, USA, who contested the legal determination that they were employees of individual clients, and succeeded in getting the state government to pass a law declaring them state employees (by virtue of the state's role in health care reimbursement) and thus able to form large bargaining units for collective bargaining with the state (Chun 2012, Smallwood-Cuevas *et al.* 2010). Similarly, Uruguayan domestic workers won a tripartite bargaining structure in connection with a broader labor reform in the country (with the Uruguayan Housewives' League created as an employer representative for this purpose) (Silverman 2011). Alternatively, US domestic workers in New York State focused on and won a Domestic Workers' Bill of Rights in the state legislature (and their counterparts in the state of California are attempting to do the same); domestic workers' organizations in Bolivia, South Africa, and South Korea, among other countries, similarly focused on state guarantees of rights. In each case, of course, the victories involved broader coalitions.

### **The “Worker Center” Model**

In the United States the most important debate around the role of NGOs in informal sector organizing has been around the “worker center” model (Fine, 2006, 2007) and the relation between worker centers and unions based primarily in the formal sector. The term “worker center” encompasses a variety of social movement organizations focused primarily on empowering immigrant workers engaged in precarious informal work. Fine (2007:341) describes them as “non-bureaucratic, grass-roots organizations with small budgets, loose membership structures, improvisational cultures and strategies that are funded by foundation grants.” She goes on to add that “Rather than narrow relations of production, the centres concern themselves with the much broader issues of social reproduction and economic and political incorporation. Their structure, culture and ideology are reflective of this larger agenda.”

The contribution of worker centers to the mobilization of informal workers in the contemporary United States is well documented by Fine and others (e.g. Milkman, Bloom, and Narro 2010). At the same time, a number of limitations seem clear. As Fine (2006) argues, worker centers fill vital needs, but have shown limited ability to institutionalize themselves, formalize membership, and end build an autonomous funding structure. Moreover, it seems clear that, despite some high profile examples like the AFL-CIO's partnership with NDLON (the National Day Laborer Organizing Network), collaboration with formal sector unions in the U.S. has been relatively restricted. Fine (2007: 336) reports that only one in seven of the workers centers she surveyed “had a direct connection to unions and union organizing drives.” The implications of the lack of synergies between worker centers and formal sector unions take on even greater importance in the light of the cautionary analysis offered by Steve Jenkins (2002). Jenkins suggests that the absence of what he calls “social power” [the ability of members to actually impose serious

economic costs on employers] the ability of workers centers to change the lives of their constituents is strictly limited.

The debate over worker centers must be central to any discussion of organizing informal workers in the United States, but from a comparative perspective the first question is whether this is a debate idiosyncratic to the United States or whether it is a variation on a more universal debate over organizational form that is equally relevant to major countries in the Global South. To some extent, the ongoing global debates over the respective roles labor NGOs and formal unions (Eade and Leather 2005) represent another form of this debate over form of representation.

### **Political Fields**

Local political, economic, and cultural context heavily influences informal worker organizations' choice of strategy, organizational form, and discursive frames. Horn (2008) argues that organizations often embrace perspectives from national liberation struggles such as the Gandhian viewpoint of SEWA and the socialist viewpoint of many organizations in post-colonial Africa. She further argues that political opportunities and constraints shape informal worker organizational forms:

In recently democratized countries (as in parts of Africa and Latin America emerging from military or other authoritarian dictatorships) there is often a tendency for the pluralistic development of a plethora of fragmented organisations in the same sectors as individuals seek positions of power which they could not easily access before. In authoritarian countries where freedom of association is severely curtailed, informal economy organisations necessarily develop with the characteristics of resistance organisations and often align themselves with independent trade union movements (e.g. Nepal, Swaziland and Zimbabwe) in order to struggle more effectively for their rights. (Horn 2008)<sup>9</sup>

Horn's theory may help explain differences between two of Latin America's most powerful waste picker federations: Brazil's National Movement of Collectors of Recyclables (MNCR) and Colombia's Recyclers Association of Bogota (ARB). The former frames waste pickers as oppressed workers who must work in solidarity with other informal workers and marginalized groups in order to bring about radical political transformations, while the latter represents waste pickers as "waste entrepreneurs" in court cases and focuses on a narrower set of work-related issues (Samson 2009). Differences in local political context may help explain the divergence in rhetoric. The MNRC emerged in the aftermath of Brazil's transition from military rule to democracy and benefited enormously from support by the ruling democratic-socialist Worker's Party (PT), while the ARB came of age in a setting of aggressive neoliberal reform and violent repression of labor unions and leftist movements.

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<sup>9</sup> As cited in Bonner and Spooner 2010

## **The Role of Political Parties**

Politics also enters the organizing equation more concretely in the form the relations between political parties and the trade union movement. Relations between parties and labor are primarily relations with formal sector unions, but these relations may have powerful consequences for organizing in the informal sector. While Horn emphasizes that authoritarian regimes that do not incorporate the labor movement as a partner may create conditions for the labor movement to become a broad-based opposition movement, an equally typical authoritarian scenario is one in which the formal union movement is first and foremost an instrument of the agenda of the ruling party. The relationship between the PRI and the CTM in Mexico was one example. The relationship between the CCP and the ACFTU in China is another. The question of whether the relationship between the ANC and COSATU is headed in this direction is the topic of intense debate in South Africa today.

Democratic electoral competition among multiple parties can also be a source of less than ideal relations between parties and unions. Many would argue of that the Indian patterns of close attachments between competing formal sector unions and political parties has fractured the union movement and reduced its effectiveness. Brazil is general seen as the best example of positive synergies between unions and party, with Central Única dos Trabalhadores (CUT) providing the base that propelled the Worker's Party (PT) to its place in national politics and the PT regime supporting in turn CUTs organizing efforts.<sup>10</sup>

The question remains, “What are the implications of any given pattern of relations between political parties and formal sector unions for organizing in the informal sector?” Do close relations with parties decrease the propensity of formal sector unions to engage with informal workers? Can the political clout generated by close relations with political parties become an antidote to the structural weakness of informal workers? We lack good answers to these questions grounded in comparative research.

## **Relation with formal labor unions**

“Trade unions can sensitize workers in the informal economy to the importance of having collective representation through education and outreach programmes. They can also make efforts to include workers in the informal economy in collective agreements.”

*-International Labor Conference of the ILO Resolution Concerning Decent Work and the Informal Economy (2002)*

“More than 50% of the world's workers require our determined action to extend organising and bargaining rights, decent jobs and social protection to workers in precarious and informal employment.”

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<sup>10</sup> There are, of course, dissenters to this view – e.g. Braga (2012).

*-International Trade Union Federation (ITUF) Resolution on Tackling Precarious and Informal Work (Feb 2011)*

The ITUR and ILC resolutions quoted above reflect a consciousness shift within the labor establishment. Though many continue to believe that informal workers' structural conditions present insurmountable obstacles for worksite-based organizing, others argue that labor unions' influence, resources, and experience can help informal workers scale such obstacles. Moreover, they contend that taking the lead in informal worker organizing could increase the membership, political leverage, and perceived legitimacy of the global labor movement, which is hemorrhaging members in many countries (e.g., Gallin 2001, Komolafe and Emeribe 2009). Such arguments have led several global union federations to begin investing in informal worker organizing campaigns and to ally themselves with existing informal worker organizations. Meanwhile, informal worker networks such as HomeNets in Asia, StreetNet, and the Federation of Asian Domestic workers at times affiliate or work closely with formal sector unions (WIEGO 2012).

These forays into informal worker organizing are a promising starting point, but marginal compared to the scope of resources, energy, and innovation needed to significantly penetrate the informal economy. Most unions continue to see the informal economy as forbidden territory due not only to the collective action problems mentioned at the start of this section, but to cultural barriers. Bonner and Spooner (2011) find that some unionists do not perceive own-account workers as workers at all, but rather as petty entrepreneurs who fall outside the domain of unions. They also claim that many informal workers shun association with the labor movement: [Informal worker] organizations may look, behave and organize themselves like trade unions, but for a variety of reasons do not identify themselves as such. For example, they may not wish to be associated with the political allegiances of the "formal" trade union movement in their country or sector or the members may have had bad experiences of trade unions. This lack of worker identity is particularly true of many women, such as home-based workers who may see their work as an extension of domestic or family duties. (Bonner and Spooner 2011:89)

Even when formal economy unions venture into the informal economy, patronizing and condescending attitudes may hamper their ability to engage workers. Based on research in South Africa and Zimbabwe, Chinguno (2012) finds that formal sector union leaders often view the informal economy as a transient problem that will diminish with economic growth. Therefore, they develop informal worker organizing strategies aimed at transforming the informal economy into a formal one, rather than letting workers take the lead in defining their own grievances and approaches to resolving them. Similarly, Fine (2007) finds that mismatches in structures, ideologies, and cultures of labor unions and worker centers prevent them from successfully collaborating despite their common aim of organizing low-wage immigrant workers. These

schisms are exacerbated by unions' attachment to traditional models of representation and organization.

Webster and Bischoff (2011) offer a helpful taxonomy of unions' stance toward nonstandard workers, including informal workers, based on nine country cases. They distinguish between high and low levels of union awareness of nonstandard workers, and between low and high willingness to innovate in developing representational models (Table 4). This set of distinctions is just a starting point for analysis, but is nonetheless useful in beginning to map the territory of relations between unions and informal worker organizations.

Overall, despite the fact that Webster and Bischoff place four of their case study countries in the "high awareness, high willingness to innovate" cell, the literature tends to emphasize formal unions' reluctance to undertake organizing of informal workers, and the difficulties that result when formal unions undertake this organizing. Thus, EOIW's emphasis on examining this troubled interface appears to be an appropriate one.

Table 4: Webster and Bischoff's taxonomy of union awareness and representation of non-standard workers

**FIGURE 2**  
**Union Awareness and Representation of Non-Standard Workers**

		Willingness to innovate representation models	
		Low	High
Awareness of specific nature of non-standard workers' interests	Low	1. Indifference Turkey	2. Imitative extension of protection South Africa Ukraine South Korea
	High	3. Resistance / Reduction of differences Brazil	4. Specialization of protection / Reconfiguration of representation India Philippines Nigeria Japan

Source: Adapted from Regalia (2006: 248).

*Source: Reproduced from Webster and Bischoff 2011*



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