

ORGANIZING INFORMAL WORKERS: LESSONS FROM NINE CASE STUDIES AROUND THE GLOBE

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(Eaton and Schurman will present)

Introduction

Informal employment, that is work that is not legally regulated or socially protected, has long been the predominant form of employment in the developing world and is a growing form of employment in the developed world. By definition, informal workers do not receive legal or social protection through their work. Most earn below the minimum wage and are from poor households. This reality has not gone without notice among important groups responsible for raising standards for workers and the poor. Many trade unions, other membership-based organizations of workers and non-governmental organizations have begun campaigns for or have actually organized specifically for the purpose of improving conditions for informal workers. This paper briefly summarizes and then analyzes the results of nine case studies of such campaigns. It is a draft that will ultimately be transformed into the introduction of a book length edited volume that will detail the cases.

The cases were all commissioned by the American Center for International Labor Solidarity (Solidarity Center), an organization of the main U.S. labor federation, the American Federation of Labor/Congress of Industrial Organizations. The Solidarity Center is funded by grants including from the U.S. Agency for International Development which in its most recent operating grant to the Center required them to develop a serious research component. The Solidarity Center partnered with the authors of this paper and their organizations to produce literature reviews and new empirical research on various areas of the Center's work. The cases reviewed in this paper were done as part of the Center's informal economy and labor migration work. Beside the fact that they all deal with informal workers, they share a second characteristic – the campaigns they describe have been at least partly successful in that they have improved

some conditions for some workers and the organizations and relationships described are ongoing at the time of this writing.

We begin the paper by defining and discussing categories of informal employment followed by brief summaries of the cases. We then review three key aspects of the campaigns: their goals, the organizations involved and the methods used. We close with lessons from the cases.

Informal Employment

Terminology in this area of study has been heavily contested over the years. The ILO and the International Conference of Labour Statisticians that it convenes have developed official international statistical definitions of the informal sector, informal economy and informal employment. In this volume, we will largely use these terms so defined. The ILO defines the informal economy as:

“all economic activities by workers or economic units that are - in law or in practice – not covered or insufficiently covered by formal arrangements. Their activities are not included in the law which means that they are operating outside the formal reach of the law or they are not covered in practice which means that although they are operating within the formal reach of the law, the law is not applied or enforced; or the law discourages compliance because it is inappropriate, burdensome or imposes excessive costs.”¹

The International Conference of Labour Statisticians has adopted an official definition of the “informal sector” which refers to *enterprises* that are unincorporated or unregistered (ICLS 1993) and of “informal employment” which refers to *jobs without employment-based social protection* that may be for either formal firms, informal firms or households (ICLS 2003) the

¹ <http://www.ilo.org/public/english/support/lib/resource/subject/informal.htm>

formal sector.² In this volume we are concerned with informal employment, both self-employment in informal enterprises and informal wage employment for formal firms, informal firms or households.³

While much of the literature on organizing informal workers treats them as a monolithic group, there are two broad categories of informal employment that we find important: self-employment and wage employment. Waged informal employment has been referred to by some observers as work “informalized from above” in that it often stems from employers’ search for the opportunity to implement more flexible work arrangements than are typically permitted in the formal sector where compensation, hours of work and safe working conditions are covered by national labor codes and often further restricted by union collective bargaining agreements.⁴ By externalizing jobs to a labor intermediary (external numerical flexibility), modifying work schedules of directly employed workers to reduce hours (internal numerical flexibility), transferring employees to different tasks and locations (functional flexibility) or instituting individual rather than collective pay rates (wage flexibility), employers are able to achieve more flexible work organization practices. In the case of external flexibility this can actually change

² ICLS 1993. "Resolution concerning statistics of employment in the informal sector". 15th. International Conference of Labour Statisticians; and ICLS 2003. "Guidelines concerning statistics on informal employment". 17th. International Conference of Labour Statisticians.

³ For an elaboration of these definitions, see Chen, Martha A. 2012. "The Informal Economy: Definitions, Theories and Policies". WIEGO Working Paper No. 1.

http://wiego.org/sites/wiego.org/files/publications/files/Chen_WIEGO_WP1.pdf. And, for the history of their development, see Vanek, Joann, Martha Chen, Françoise Carré, James Heintz and Ralf Hussmanns. et al. 2014. "Statistics on the Informal Economy: Definitions, Regional Estimates and Challenges"

WIEGO Working Paper (Statistics) No. 2.

<http://wiego.org/sites/wiego.org/files/publications/files/Vanek-Statistics-WIEGO-WP2.pdf>

⁴ Theron, Jan. "Informalization from above, informalization from below: the options for organization." *African Studies Quarterly*. 112-3 (Spring, 2010) Slavnic, Zoran. "La Informalización Y La Economía Política de la Reestructuración (Informalization and Political Economy of Restructuring)", *Migración Y Desarrollo*, Numero 13, Segundo Semestre, 2009.

the nature of their relationship with workers from an employment to a commercial contract. Internal flexibility can be used to create work schedules that are not regulated by wage and hour laws.⁵ At the same time, in the developing world, employment was often never formalized in the first place.

The second category of informality includes those more generally understood as constituting the informal economy: the self-employed, including micro-entrepreneurs who hire others and own account operators who work on their own or with unpaid contributing family workers.⁶ In urban areas, the self-employed tend to be concentrated in manufacturing, trade, transport and personal services; in rural areas, the self-employed are concentrated in artisan production, fishing, livestock rearing and smallholder farming.

The key characteristic of the first category is that these workers remain “dependent” on an employer, despite the fact that the employment relationship may be disguised, ambiguous or third-party, while those in the second category are “independent”, selling their goods or services directly in a market. The work arrangements of the dependent informal wage workers result from what David Weil has called “fissuring” in the context of the labor market in the U.S.⁷

⁵ J. Atkinson and N. Meager, *Changing Work Patterns: How Companies Achieve Flexibility to Meet New Needs*, Institute of Manpower Studies, National Economic Development Office, London, 1986.

⁶ Theron calls this “informalized from below”. Ibid. Theron and Slavnic may have been linking into a discourse about two forms of global economic activity: “Globalization from above” driven by large multinational corporations operating largely with the laws of the countries in whose territory they do business, and “globalization from below” driven by people engaged in small scale economic activity for their own or their families survival and often operating outside the law or informally. See Gordon Mathews et al., 2012, *Globalization from Below: The World’s Other Economy*, Routledge for discussion of this distinction. (Note also that the more common use of the term “globalization from below” refers to anti-globalization protests and social movements that cross national boundaries.)

⁷ Weil, David. *The Fissured Workplace: Why Work Became So Bad for So Many and What Can be Done to Improve It*. Cambridge, MA: Harvard University Press: 2014. It is interesting to note that Canadian labor laws actually recognize and cover a category of workers called “dependent contractors.” For the seminal article that led to this change see Harry Arthurs, The Dependent Contractor: A Study of the Legal Problems of Countervailing Power, 16 *University of Toronto Law Journal*, 89-117 (1965).

Often, what could be or once was a formal employment relationship has been distanced or mediated by a subcontractor or labor intermediary. In other cases, employees have been redefined – sometimes illegally – as “independent” (self-employed) contractors. In still other cases, the employment relationship has been informalized through employer scheduling decisions where workers are employed for very limited time periods, including employment on a daily basis. Most of these arrangements have the effect of removing the workers from the protections of labor and employment laws and access to employment-based benefits like unemployment and health insurance or pensions.

In reality, like all sociological or statistical ideal types, there is no bright line separating the two groups. Workers themselves often cross these work boundaries, sometimes on a daily basis, as they strive to piece together a livelihood. And formal enterprises may well contract work out to informal enterprises or to industrial outworkers in what Slavnic calls “the informal outsourcing chain”.⁸ The transportation sector may best illustrate the complications. Taxi, mini-bus and truck drivers – at least in the developing world - all may actually be self-employed, informal employees, or dependent contractors. In some cases, drivers may purchase a vehicle and set themselves up as an owner-operator selling their services on the street or to companies (in the case of truck drivers). Or they may have been employees of a larger enterprise that changed their status – legally or not – to independent (or actually dependent) contractor. One of our cases involves a union effort to organize drivers who fit into all three categories.⁹

⁸ Slavnic, 2009, 7. Weil, 2014, also discusses outsourcing chains in the U.S. that may end in the use of individual “independent contractors”, misclassified or not.

⁹ Barrett 2003 describes organizing of taxi drivers, many of whom had been formally employed by the South African Transport and Allied Workers’ Union. Jane Barrett, “Organizing in the Informal Economy: A case study of the minibus taxi industry in South Africa,” SEED Working Paper 39 (2003): 1-59 Adu-Amankwah 2001 describes efforts by the Ghana Private Road Transport Union to organize and assist truck drivers of all types: “hired drivers”

Extent of Informal Employment

The ILO, the International Expert Group on Informal Sector Statistics, and the WIEGO network have collaborated for two decades to improve statistics on informal employment. More and more countries are collecting data on informal employment. Recent estimates indicate that it constitutes more than half of non-agricultural employment in most of the developing world. Recent estimates are 82% in South Asia, 66% in Sub-Saharan Africa, 65% in East and Southeast Asia and 51% in Latin America.¹⁰ As indicated in Table 1, these regional estimates incorporate considerable variation within regions.

Table 1
Informal Employment as Percentage of
Non-Agricultural Employment, 2004-2010
Average & Range by Regions¹¹

<p>South Asia: 82% 62% in Sri Lanka to 84% in India Sub-Saharan Africa: 66% 33% in South Africa to 82% in Mali East and Southeast Asia: 65% 42% in Thailand to 73% in Indonesia Latin America: 51% 40% in Uruguay to 75% in Bolivia Middle East and North Africa: 45% 31% in Turkey to 57% in West Bank & Gaza</p>
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Case Studies¹²

in both formal and informal employment arrangements, owner-drivers and vehicle owners who employ others. Kwasi Adu-Amankwah, "Trade unions in the informal sector: Finding their bearings, Nine country papers." Labour Education Working Paper 116 (2001): 1-148.

¹⁰ Vanek et al. 2014. WIEGO Working Paper #2, 7.

¹¹ Adapted from Vanek et al. 2014.

¹² For a full description of each of these cases, see these reports to the Solidarity Center available on that organizations website: Schurman and Eaton, 2013, "Trade Unions Organizing Workers "Informalized "From Above:" Case Studies from Cambodia, Colombia, South Africa, and Tunisia", Report to the Solidarity Center, <http://www.solidaritycenter.org/wp-content/uploads/2014/11/Report.Informalized-from-Above.Rutgers.2013.pdf>;

The case studies summarized here include a wide range of occupations and industries each with their own particular economic realities. They are based on field research which relied primarily on interviews and focus groups with workers themselves and with organizational leaders and other stakeholders. There are cases on informal employees/wage workers: port or dock workers, hospitality workers, domestic workers and low-skilled public sector workers and women who promote beer brands in the bars and restaurants. There are two cases of informal self-employed workers: one of waste pickers/recyclers, the other of street vendors. There is also a case that looks at workers whose status crossed our two basic categories: mini-bus drivers. Finally, there is a case that focuses on the overlap between immigration status and informality but that includes categories of employed and self-employed workers (construction, domestic and street vendors). While each of the countries included in the study has its own political dynamics, all have experienced liberalization of their economies and in most cases that liberalization is ongoing. Liberalization also led either directly – as in the case of privatization – or indirectly to the informalization of previously formal workers. We turn now to brief descriptions of the cases themselves.

Port Workers in Buenaventura, Colombia.¹³ In this case workers had been subject to a complex web of subcontracting arrangements leading to widespread informalization following the privatization of that nation's ports in 1993. While Colombia is perhaps the most dangerous

WIEGO, 2013, "Informal-Workers-and-Collective-Bargaining: Case Studies from India, Georgia, Brazil, Liberia and Uruguay, Report to Solidarity Center, <http://www.solidaritycenter.org/wp-content/uploads/2014/11/WIEGO.Informal-Workers-and-Collective-Bargaining.pdf>; and Janice Fine, January 2013, "Emergent Solidarities: Labor Movement Responses to Migrant Workers in the Dominican Republic and Jordan", Report to the Solidarity Center, <http://www.solidaritycenter.org/wp-content/uploads/2014/11/Rutgers.Emergent-Solidarities.Migration.pdf>.

¹³ For a full description of the case, see Schurman and Eaton, 2013, "Trade Unions Organizing Workers "Informalized "From Above:" Case Studies from Cambodia, Colombia, South Africa, and Tunisia", pp. 57-100. Report to the Solidarity Center, <http://www.solidaritycenter.org/wp-content/uploads/2014/11/Report.Informalized-from-Above.Rutgers.2013.pdf>.

place in the world for workers and unions to organize, the port workers in Buenaventura, with support from transnational labor organizations, created a new union, Union Portuaria (UP). A new union was necessary because the older unions who had represented port workers prior to privatization had either disappeared or converted themselves into fake cooperatives which constituted a particular form of labor intermediary. UP, with the help of the global trade union movement and the political opening emerging from regime change, has been engaged in an ongoing battle to restore some elements of decent work for a small number of externalized workers.

Hospitality Workers in South Africa.¹⁴ This case involves union advocacy for casual and contract workers by the South African Commercial, Catering, and Allied Workers Union (SACCAWU) and the new work arrangements that retail and hospitality sector employers have used to remove workers from the legal protections and/or social insurance funds. SACCAWU accepted a certain level of non-standard employment while also attempting to bargain for equity in pay and benefits. SACCAWU is attempting to apply the leverage gained and lesson learned from its success in the retail sector to organize and advocate for workers in the hospitality sector.

Uruguayan Domestic Workers.¹⁵ In the remarkable case of the domestic workers union in Uruguay, the Sindicato Unico de Trabajadoras Domésticas (SUTD) has collectively bargained contracts with the housewives league (the Liga de Amas de Casa, Consumidores y Usuarios de la República Oriental del Uruguay). In November 2006 Law 18.065 was adopted by the Uruguayan legislature which gave domestic workers the same basic labor rights as other workers. On

¹⁴ Ibid., pp. 101-129.

¹⁵ WIEGO, 2013, "Informal-Workers-and-Collective-Bargaining: Case Studies from India, Georgia, Brazil, Liberia and Uruguay," Report to Solidarity Center, pp. 110-139. <http://www.solidaritycenter.org/wp-content/uploads/2014/11/WIEGO.Informal-Workers-and-Collective-Bargaining.pdf>

November 10, 2008, the government, employer and worker delegates signed the first collective agreement for domestic service not only in Uruguay but also in all of Latin America. The agreement applied to all domestic workers and their employers throughout the country and was renegotiated in 2010. These agreements set minimum wage levels and provided for across the board increases and called for decent working conditions. The second agreement added a premium for night work.

Cambodian Beer Promoters.¹⁶ In Cambodia, beer companies hire women on an informal basis, and often on commission, to promote their brands in bars and restaurants not owned or managed by the companies. The case describes the way in which exposure to HIV and sexual harassment and assault brought these workers to the attention of NGOs and labor organizations both within and outside of Cambodia who pressed for an industry code of conduct which led to the formalization of some beer promoters under the protection of Cambodian labor law. More recently, the Cambodian Food Service Workers' Federations launched a campaign to formally represent beer promotion workers at Cambrew, a subsidiary of Carlsberg, a Danish global beer producer. The situation is complicated by the presence on the scene of government dominated or affiliated unions.

Tunisian Government Workers.¹⁷ The Tunisian revolution brought a new regime to power in 2011, promising, among other things, social and economic justice. This case describes the successful campaign by the Union Général Tunisienne du Travail (UGTT) and by workers themselves to restore formal employment to low-wage government workers whose jobs had been privatized and subcontracted during previous regimes. Under subcontracting arrangements,

¹⁶ Schurman and Eaton, 2013, pp. 26-56.

¹⁷ Ibid., pp. 130-144.

work had become informal and working conditions, pay rates and benefits had been severely undermined.

Transport Workers in Georgia.¹⁸ The mini-bus sector in Georgia originally began with self-employed individuals purchasing vehicles and operating in an unorganized manner alongside the more traditional metropolitan bus companies. As the new regime that came to power in the “Rose revolution” began to clean up corrupt local politics and formalize the mini-bus sector, a system of mediation arose with route operators or route owners bidding to control newly identified bus routes. The actual mini-bus drivers are in a mix of economic relationships: some remain self-employed owner-operators while others are employees of different mini-bus owners. The case describes the evolution of this sector and the campaign by the Trade Union of Georgian Motor Transport and Motorway Workers (MTMWETU), an affiliate of the Georgia Trade Union Confederation (GTUC), to organize and collectively bargain for drivers regardless of their employment relationship. This case examines the process and outcome of collective bargaining in three Georgian cities, Tbilisi, Rustavi, and Batumi.

Waste Pickers in Brazil.¹⁹ In 2011, bargaining among various stakeholders including government representatives, leaders of waste picker cooperative and of NGOs in the Brazilian state of Minas Gerais resulted in the passing of the Recycling Bonus Law. The case describes the background to the passage of the law, which established a monetary incentive to be paid by the state government to waste pickers who are members of a cooperative or workers’ association. It is the first law in the country that authorizes the use of public money for ongoing payments for work done by waste pickers. Provision of a monetary incentive aims to reduce loss of reusable

¹⁸ WIEGO, 2013, pp. 71-92.

¹⁹ Ibid., pp. 38-56.

materials and to supplement the income of waste pickers who primary earn money from selling recyclables within specific product markets. Some waste picker advocates view the Bonus law as an important gain in their ongoing campaign to become a recognized and formal part of the waste management system while others are afraid it will divert waste picker energy away from more important goals such as bidding for solid waste contracts. This case also reviews bargaining over the initial implementation of the law.

Street Vendors in Liberia.²⁰ Soon after her election as president of Liberia, Ellen Johnson Sirleaf appointed a new mayor of the capital Monrovia and gave her an explicit mandate to “clean up” the city and the city administration. This included reigning in the activities and locations for street vendors who are alleged to contribute to congestion and uncollected garbage in the streets. The case details how street vendors have organized to fight back attempts to constrain their activities. Street vendors marched in protest of the repeated harassment from police, pushing the mayor to agree to negotiate with them. There have been repeated negotiations between a street vendors union created out of a merger of two associations and various political authorities. The topics of the negotiations include a formalized registration process, continued police harassment and attempts to concentrate vendors in particular plots of land in the city. Recently, the negotiations resulted in a formal Memorandum of Understanding.

Haitian Workers in the Dominican Republic.²¹ In the Dominican Republic, as in many countries of the world, there is substantial overlap between being an immigrant and working informally: virtually all Haitian workers in the DR work informally but not all informal workers are Haitian immigrants. This case examines this overlap and looks at organizing taking place in

²⁰ Ibid., pp. 93-109.

²¹ Janice Fine, January 2013, “Emergent Solidarities: Labor Movement Responses to Migrant Workers in the Dominican Republic and Jordan”, Report to the Solidarity Center, <http://www.solidaritycenter.org/wp-content/uploads/2014/11/Rutgers.Emergent-Solidarities.Migration.pdf>.

three sectors in the DR: construction, domestic workers and street vendors. Beginning in 2007, with the encouragement and support of the Solidarity Center, the Confederacion Nacional de Unidad Sindical (CNUS) one of the major labor federations in the DR began to make migrant worker rights a major focus of its work. This work pulled CNUS into the organizing of informal workers for the first time.

Key Characteristics of the Campaigns

While the case studies discussed in this paper deal with many different occupational groups in different industries and countries, they all review campaigns to improve conditions for informal workers. As such, each includes discussions of the goals of the campaign, the organizations involved and the strategies used. Below we review each of these aspects of the campaigns.

What are the Goals of These Campaigns?

The goal of each campaign discussed in the case studies is, broadly speaking, the improvement of the workers' conditions and in particular, their income. In the cases involving informal wage earners and traditional unions, one essential vehicle for achieving this goal is to seek a degree of re-formalization of employment relations. This makes our cases quite different from those discussed by Agarwala where informal wage workers in India accepted their informal status but sought improvements in their lives through government benefits including housing, healthcare and increased access to education for their children.²²

²² Rina Agarwala, *Informal Labor, Formal Politics, and Dignified Discontent in India*, Cambridge University Press, 2013.

The meaning of formalization is important. For the standard-setting discussion on formalization at the 2014 International Labor Congress (ILC), the WIEGO network, in partnership with local worker organizations, organized three regional workshops at which participating organizations of informal workers expressed what they mean by formalization.²³ In brief, for all informal workers, legal recognition as workers/economic agents, organization and representation, and access to social protection are key dimensions of formalization. Other key dimensions of formalization tend to be sector-specific. In return for registration and taxation, the informal self-employed want sector-specific legal, policy and programmatic support. Considered another way, formalization to informal workers should mean the reduction of the decent work deficits of informal workers as framed in the ILO report for the 2002 ILC: deficits in terms of economic opportunities, economic rights, social protection, and social dialogue.²⁴

This broad understanding of formalization is present in our cases. For instance formalization for the Cambodian beer promoters meant bringing them under the labor code which in turn meant, among other things, that they could be organized by a traditional union and engage in collective bargaining. For the self-employed Brazilian waste pickers, formalization has meant organization into registered cooperatives which are then recognized as part of the public waste management system and are eligible for state-paid bonuses for their work in that system. The Georgian mini-bus drivers sought union representation and collective bargaining amid fears for their livelihoods in the face of government moves to formalize their sector through establishing contracts for specific routes with particular informal route “operators” or “owners.”

²³ ILO. 2014. “The Transition from the Informal to the Formal Economy: Report V (Brown Report)”. Prepared for International Labour Conference, 104th. Session, 2015. Geneva, Switzerland: ILO. WIEGO Network Platform: Transitioning from the Informal to the Formal Economy in the Interest of Workers in the Informal Economy. Prepared through a participatory process with informal workers and distributed at the ILC 2014

²⁴ ILO 2002 *Decent Work and the Informal Economy*. Geneva, Switzerland: ILO

What Organizations Are Involved?

Here too clarity about terminology is important and, in particular, the definition of a union. While many labor scholars and labor leaders have come to equate unions with workplace organizing and the practice of collective bargaining, we do not. We prefer, with an important modification, the expansive definition of the renowned scholars and activists, Sidney and Beatrice Webb, writing about the British labor movement almost 100 years ago. They defined a union as a “continuous association of wage-earners for the purpose of maintaining or improving the conditions of their working lives”.²⁵ Our modification of their definition, for reasons that should be obvious at this point in the discussion, is to substitute the word “worker” for “wage-earner.” Still, we find it useful to acknowledge that most unions throughout the world have focused on organizing and representing wage earners and doing so through collective bargaining. We follow Cobble in calling these “traditional unions”.²⁶

For those coming to this topic as scholars of and participants in traditional unions, a crucial question is how to move those organizations from their historic position of “just saying no” to informal work arrangements and therefore, to informal workers as constituents. We see movement from what Yun calls “exclusion to integration” or Heery calls “resistance to

²⁵ Webb, Sidney, and Beatrice Webb, 1920. *The history of trade unionism*, rev. ed. New York: Longmans, Green, p. 1

²⁶ Cobble, Dorothy Sue. 2012. “Gender Equality and Labor Movements: Toward A Global Perspective”. Report to the Solidarity Center, funded by the Office of Democracy and Governance, Bureau for Democracy, Conflict, and Humanitarian Assistance, US Agency for International Development, under the terms of Award No. AID-OAA-L-00001. Available at: <http://smlr.rutgers.edu/research-centers/research-partnership-with-solidarity-center>. Cobble juxtaposes traditional unions to “‘new unions,’ which may or may not rely on collective bargaining as their principle strategy. Taking a page from labor’s past, these organizations might constitute themselves primarily as mutual aid organizations or as community or political entities concerned with changing labor and social policy or with democratizing the larger society. Many may also call themselves associations and not unions.” (p. 7)

inclusion,”as crucial to the future of labor movements around the world.²⁷ But for other scholars and activists an even more basic question exists: are traditional unions the right vehicle for organizing and advocating for informal workers, particularly those who are self-employed? Based on the South African experience, Theron concludes that cooperatives are a more effective form for raising standards for self-employed/own account workers.²⁸ Indeed, few would contest that the organization of informal self-employed workers is a heavy lift for traditional unions. Throughout the world, traditional unions have typically defined their membership as employees working for a particular employer or set of employers within an industry, or what can be called a “wage culture.” Relatedly, many trade unionists have come to equate unionism with collective bargaining for wages and benefits; this option may not always be the best or even a possible strategy for representing the interests of the self-employed.

The literature is replete with interviews with trade union leaders producing long lists of the challenges that informal workers present traditional unions. These challenges include, among others, unstable relationships to the labor market and to any particular employer or workplace outside factories or firms in public or private spaces, very low earning levels leading to low dues, and demographic differences between the formal workers who are typically union members and informal workers (gender, race, ethnicity and immigration status). A central issue – present most clearly in our South Africa case – is the relationship between formal workers who are typically the backbone of the traditional union and informal workers in the same sector or

²⁷ Aelim Yun, “Building Collective Identity: Trade Union Representation of Precarious Workers in South Korean Auto Companies”, *Labour, Capital and Society*, 44:1, pp. 155-178. E. Heery, “Trade Unions and Contingent Labor: Scale and Method,” *Cambridge Journal of Regions, Economy and Society* 2 (2009): 429-42. See also Cervino, *Trade Union Strategies Towards Atypical Workers*, (Working Paper) Madrid: Juan March Institute, 2000. Cervino talks about exclusion, partial inclusion and total inclusion.

²⁸ Theron 2010

enterprise. Formal workers must come to see the poor conditions typically faced by informal wage workers working in the same enterprises as having the potential to lower their own standards rather than as a buffer that makes their standards possible. Yun developed his typology of union approaches to organizing and representing informal workers (exclusion, inclusion, proxy, integration) through an examination of the complex dynamics between formal and informal workers and their organizations in multiple cases in the auto industry in South Korea.²⁹ Elbert describes a successful campaign to improve the conditions of informal workers (both internal and externally hired temporary contract workers) in a food processing plant in Argentina. The campaign's success hinged in large part on the support from formal workers and their union.³⁰

Lest we think these issues only arise in factory settings, we need only contemplate the relationship (or lack thereof) between full-time tenure track and contingent faculty in higher education in the U.S. and Europe. Dissatisfaction with traditional union representation – among other things - led to the creation of a parallel national organization for contingent faculty called the New Faculty Majority.³¹ This problem is well illustrated by the experience of the American Federation of Teachers (AFT). The AFT has made a strong effort to include contingent faculty representatives on policy making bodies, and devotes considerable resources to contingent faculty issues as well as consistently emphasizing the importance of all its higher education constituencies (tenure track and contingent faculty – full and part time, graduate student

²⁹ Yun, Building Collective Identity.

³⁰ Rodolfo Elbert. "How do unions respond to nonstandard work arrangements? Relations between core and non-core workers in a food processing factory (Argentina, 2005-2008)." *Journal of Workplace Rights* 15, 3 (2010): 387-98.

³¹ For the New Faculty Majority mission statement go to: <http://www.newfacultymajority.info/nfm-mission-statement/> (accessed 2/17/2015).

employees and professional staff) working together for common ends.³² Despite these efforts, the Service Employees International Union has more recently successfully organized locals exclusively of part-time contingent faculty in campaigns which may identify tenure track faculty as a large part of the problem rather than as an important key to the solution.

We will return to the question of “ideal types” of organization in the conclusion. Our data set for this paper includes five cases focused on workers who are wage employed, two focused on informal self-employed and one on workers who straddle both categories. The former involve, mostly by design, traditional unions. This is “by design” because four out of the five cases were commissioned by the Solidarity Center specifically as cases of traditional trade unions organizing informal wage workers. But the reason for that focus was based on a shared working hypothesis that trade unions may find it easier to organize informal employees/wage workers, than informal self-employed, because they represent a better fit with unions’ (and union members’) self-definition of the proper scope of their membership or constituency than do the informal self-employed.

The two cases focused on informal self-employed workers do not concern traditional unions, but rather cooperatives (for the Brazilian waste pickers) and a member-based organization (MBO) calling itself a union but emerging from two associations in the case of street vendors in Liberia. The case of mini-bus drivers in the Republic of Georgia does involve a traditional union; many of the workers in this case began as self-employed drivers who owned their own vehicle, but this sector has grown in complexity over time.

³² Author Adrienne Eaton is a member of the Higher Education Division Program and Policy Committee of the American Federation of Teachers.

It is worth noting here that much of the organizing of and advocacy by or for informal workers throughout the world is being done through member-based organizations (MBOs) of informal workers, both trade unions, cooperatives and associations, or NGOs independent of traditional trade unions; so our cases are far from unique in that regard. Traditional unions relate to these organizations in a variety of ways. In some cases, traditional unions, MBOs of informal workers and NGOs have loose affiliations where they cooperate around policy issues or social dialogue at various governmental levels or even around particular local campaigns. In others, MBOs have actually affiliated with national unions or union federations and some have actually been subsumed under the union. These relationships are fraught with potential conflicts over organizational culture, governance issues and control.³³ Even when traditional unions have sought to organize informal workers, this has often involved some form of prior independent organizing, although there are also many examples of traditional unions choosing to organize and incorporate informal workers on their own and without prior independent organization of any kind.³⁴

What Strategies Are Used in the Campaigns?

As mentioned above, traditional unions around the world are often viewed as almost synonymous with collective bargaining for wages and benefits: in the minds of many trade unionists and their observers, you cannot have a union without collective bargaining and you

³³ Fine, Janice. 2007. "A Marriage Made in Heaven? Mismatches and Misunderstandings between Worker Centres and Unions", *British Journal of Industrial Relations*, Vol. 45, No. 2, pp. 335-360, June 2007. For a discussion of the relationship between "new" and "old" labor in New York City, see Ruth Milkman and Ed Ott. 2014. *New Labor in New York: Precarious Workers and The Future of the Labor Movement*. Cornell University Press.

³⁴ Schurman and Eaton. January 2012 "Trade Union Organizing in the Informal Economy: A Review of the Literature on Organizing in Africa, Asia, Latin America, North America and Western, Central and Eastern Europe." Report to the Solidarity Center, funded by the Office of Democracy and Governance, Bureau for Democracy, Conflict, and Humanitarian Assistance, U.S. Agency for International Development, under the terms of Leader with Associates Cooperative Agreement No. AIDOAA-L-11-00001. Available at: <http://smlr.rutgers.edu/research-centers/research-partnership-with-solidarity-center>.

cannot have collective bargaining without a union. Our cases challenge this notion, as well they should. In the early days of the labor movement in the 19th century, the labor *movement* had a broader repertoire. At least in Europe, the labor movement was understood to include trade unions but also labor parties and cooperatives. Unions themselves raised standards in a number of different ways and, at least in the United States, collective bargaining was not always one of them. The Webbs described three “methods” of trade unions: collective bargaining, legal enactment and mutual insurance.³⁵

Today advocacy for legal enactment, or what is better known as government regulation or public policy, is a common tool of unions around the world even in the United States with its supposed voluntarist history. As Eaton and Voos point out, mutual insurance may be the oldest method of trade unionism.³⁶ The Webbs had in mind funds organized by early unions that workers paid into collectively to protect members against sickness, accidents, death and even unemployment. More recently, some labor scholars have revived the notion of “mutual aid unionism”.³⁷ For most of the past century the traditional labor movement globally has focused on workplace organizing and representing workers through collective bargaining with an employer or group of employers, often at the sectoral level. Given the centrality of collective bargaining to the repertoire of most unions, the main emphasis of their advocacy and representation of informal workers has been to structure collective bargaining relationships for them when possible, often through inclusion of informal workers into the legal framework that

³⁵ Webb Sidney, and Beatrice Webb. 1902 . *Industrial democracy*, new ed . London: Longmans, Green. Webb, Sidney, and Beatrice Webb, 1920. *The history of trade unionism*, rev. ed. New York: Longmans, Green.

³⁶ Adrienne E. Eaton and Paula B. Voos, “Managerial Unionism: Prospects and Forms,” *Labor Studies Journal*, Vol. 29, No. 3 (Fall 2004): 25-56.

³⁷ Bacharach, Samuel B., Peter A. Bamberger, and William J. Sonnenstuhl. 2001. *Mutual aid and union renewal*. Ithaca, NY: Cornell ILR Press. Jarley, Paul. 2003. *Unions as social capital: Renewal through a return to the logic of mutual aid?* Unpublished manuscript. University of Kentucky.

structures the collective bargaining regime in a particular country and by organizing an employing entity with which to bargain.

It is clear that diverse strategies are needed to effectively improve the conditions of informal workers. Rina Agarwala, argues that informal workers in three Indian states have been most successful in improving their lives by essentially giving up on attempting to bargain better pay and standards with their employers and instead demanding state-provided social benefits such as housing, education and health care. Agarwala argues that, in states where the success of at least one political party depends on addressing the concerns of the poor, but that that party also supports economic liberalization policies, informal wage workers have been able to succeed in their demands for benefits by specifically accepting their informal status.³⁸

Our cases also demonstrate the need for new approaches to collective bargaining. For instance, one of the central puzzles for any union of domestic workers that wants to raise standards through collective bargaining, is who will act as the employer.³⁹ Our domestic workers case, set in Uruguay, provides a novel answer to this question: a national organization of “housewives”. Other innovations might relate to what is being bargained for. The informal retail and hospitality workers in our South African case were organized into a traditional union which then attempted to represent their interests by bargaining for equity in pay and benefits with employers while still allowing irregular hours and shifts.

³⁸ Rina Agarwala, *Informal Labor, Formal Politics, and Dignified Discontent in India*, Cambridge University Press, 2013.

³⁹ For another interesting discussion of this problem, see Judy Fudge, “Little Victories and Big Defeats: The Rise and Fall of Collective Bargaining Rights for Domestic Workers in Ontario,” in *Not One of the Family: Foreign Domestic Workers in Canada*, ed. Abigail B. Bakan and Davia Stasiulis (Toronto: University of Toronto Press Incorporated, 1997), 119-146.

Self-employed informal workers have to bargain with multiple counterparts: suppliers, customers, and often government authorities. Taxi drivers' organizations, for instance, may negotiate with the municipality which essentially regulates their conditions of work, rather than with an employer per se. Street vendors and waste pickers are other categories of workers who often engage or attempt to engage in some form of collective negotiation with municipal authorities as in the our case involving street vendors in Monrovia, Liberia. Another of our cases concerns waste pickers (recyclers) who negotiate with state level authorities in Brazil first over the passage and then the implementation of a law that created a state-funded bonus for registered recycler cooperatives funded.at the state level.

Lessons from the Cases

Despite the diversity of contexts, sectors and/or occupations, the nine cases included in this study reveal a number of commonalities that suggest the elements of a general strategy for organizing workers in informal employment. However, the cases also reveal that the forms of organization – both the structures and the strategies - which might best serve as vehicles to represent informal workers' interests will need to vary by status in employment, branch of economic activity, and/or place of work.

Laying the Moral Foundation

Regardless of sector, status or location of the informal workers, each of the campaigns presented in this paper was constructed on a moral claim: Hawkins, writing about Columbian

port workers, terms it “improving the normative threshold” and Ryklief, describing South African hospitality workers, calls it a “values-based” campaign. Domestic worker organizing in the Dominican Republic centered on a “We are Workers” campaign that sought domestic workers to recognize their status and their accompanying rights. The Brazilian waste pickers have attempted to hook their claims to both their status as workers who need to earn a living for themselves and their families and as crucial service providers in the public waste management system. Framing their cause in terms of widely accepted international norms of justice and fairness enabled these campaigns to reveal, first to the workers themselves and then to other workers in their sector, the government and to the wider public, the consequences of working outside the protection of the law.

Making the Invisible Visible Through Agency and Collective Action

One commonality shared by informal workers across the spectrum is their invisibility – hidden in private, unregulated locations at the end of a long supply chain or in plain sight on the street selling fruits and vegetables or working under temporary contracts with labor intermediaries carefully structured to escape regulation. Each of the campaigns described here used some form of collective action – a strike or protest or other public form of direct action – to call public attention to the informal workers' moral claim for fairness and justice. These actions, in addition to focusing public awareness on degraded and/or illegal working conditions, also reveal the important role these workers play in the economy.

Setting the Appropriate Strategic Goals for Campaigns

These cases clearly demonstrate the need to carefully establish the strategic goals for a campaign. There is no “one size fits all” in terms of improving the outcomes of informal employment. The existing trade union bias has been to create or recreate standard employment status and establish standard collective bargaining with the employer. However, as the Brazilian Waste Pickers case illustrates, this may in fact be detrimental to their circumstances: the waste pickers want to be contracted and rewarded for their services, not their labor. These cases add to the growing body of research indicating that new forms of collective negotiation – often between informal workers and a state entity – are often more appropriate. In the cases presented here that concern informal wage workers, the goal of the campaign was, eventually, conceptualized as bringing the coverage or enforcement of the labor codes to informal workers in ways that benefit them. Self-employed informal workers seek commercial and often sector-specific legal protections.

Structure Follows Strategy

Our cases add to the growing literature showing that the specific form of organization that will best serve the representational interests of informal workers needs to be matched to the characteristics of the labor or product markets in which they work and the overall economic structure of the context. Thus port workers in Columbia used their unique leverage in the economy to create a traditional trade union while hospitality workers in South Africa were (partially) integrated into an existing union thereby extending that union’s labor market coverage and bargaining power. Waste pickers in Brazil organize into cooperatives in order to be rewarded for their waste collection and recycling services and to assert their role in the waste management system, particularly against possible encroachment from rival providers. The issue

of structure is perhaps the most challenging aspect of informal workers' organizing. There is, as yet, no right answer and lots of experimentation. Own-account operators and industrial outworkers do not share the same employment features and different national, local and sectoral contexts may well require different formations. If the creation of labor (or product) market leverage *collectively* remains central to the campaign then the question of structure becomes an empirical rather than an ideological question.

Preparing for and Taking Advantage of Political Opportunities

Several of these cases were able to capitalize on major political changes in their countries. In Tunisia, the UGTT had prepared for and was ready to demand the restoration of formal employment for outsourced public employees when regime change occurred. In Colombia, a new regime began to dismantle neoliberal orthodoxy presenting an opening for organizing at the port. In Brazil the emergence of a political party in power with strong anti-poverty policies presented an opening for the waste pickers.

Expanding the Boundaries of Collective Bargaining.

These cases illustrate many of the limitations of collective bargaining that numerous scholars have described for decades.⁴⁰ Both the strength and the weakness of collective bargaining is the highly prescribed nature of the process and, in most countries, the narrow range of "bargainable" issues. Scholars writing about "interest-based" forms of labor-management negotiations have often pointed out that the process creates opportunities to negotiate over "non-permissible" subjects of bargaining. Even countries that permit a wide scope of bargaining

⁴⁰ See, for example, Raymond A. Friedman, 1994. *Front Stage, Backstage: The Dramatic Structure of Labor Negotiations*, Cambridge, Mass: MIT Press.

nonetheless have labor codes with highly prescribed rules governing the process. At the center is the concept of an employer and a labor union. Our cases point to alternative forms of negotiation between a worker organization and the State and raise such questions as:

- Are collective bargaining and collective negotiations the same thing and if not, what is the dividing line between the two?
- Who are the stakeholders who can bargain or negotiate with one another and how many can be at the table at once?
- What is the legal framework in which the collective bargaining or negotiating is taking place? Is it one-off or on-going? Is the outcome binding and if so how is it codified and enforced?
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Building Regional and Global Alliances

In all of the cases presented here the importance of regional and international support ranging from trade union structures to a variety of supportive NGOs proved a crucial element in the success of the campaigns. The plight of the Cambodian beer promoters would perhaps never achieved widespread attention without the assistance of international HIV/AIDS organizations. The leaders of the street vendors organization in Liberia have taken advantage of training offered by two important global networks, StreetNet (a network of street vendor organizations) and WIEGO (an NGO network with MBOs of informal workers, including trade unions, as members).. The developments in the Dominican Republic would not be possible without the financial and other support of the U.S. based Solidarity Center. Similarly, the U.S. labor movement, in the context of trade negotiations, provided heavy pressure on the Colombian regime to end intense repression of unions which helped to create an opening for the new port workers' union.

Conclusion

What is perhaps most evident from these cases is that successful organizing campaigns for informal workers requires a long-term strategy that encompasses most or all of the elements outlined here. Virtually all of these campaigns have evolved over a long number of years in which organizations were built and expectations rose. In many cases, the parties involved were able to capitalize on this long term work when an opportunity arose. We believe these cases make clear that contrary to the expectations of many, informal workers can and will organize and can be successful in improving the conditions of and rewards from their work. The cases also outline a set of conditions that such campaigns should incorporate to increase the probability of success.

A more general conclusion we derive from this study resulted from the collaboration of scholars and practitioners whose expertise has primarily focused on either traditional trade unions on one hand or organizations of informal workers, trade unions, cooperatives and associations, on the other. By working together to analyze these cases we have learned much from each other and, hopefully, been able to generate insights that will be both useful to practitioners as well as contribute to ongoing theorizing about how informal workers can engage in collective action to improve their circumstances.