

# Organising precarious workers in the Global South

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# Organising precarious workers: a view from the south

### Ronaldo Munck

The workers of the world face numerous challenges. Many debates around the future of labour, such as the rise of the so called 'gig economy', tend to focus on experiences and trends within the Global North. The shortcomings of the present are often contrasted to a nostalgic view of the past, with an idealised 'golden era' defined by 'standard employment contracts' serving as the primary benchmark against which practices today are measured. Once work is defined in these terms, the primary focus becomes the 'restoration' of labour rights and protections that have been lost or eroded. The re-invention of a vibrant global labour movement will not occur through a vain attempt to put the clock back to a mythical 'standard employment contract'. It is only through organising - recruiting, educating and mobilising - new members that labour can reinvent itself as a social movement.

We need to start from the experiences of the Global South, where no such standard employment contracts or labour rights have ever prevailed. There precarious and informal work has always been the norm rather than the exception, ranging today from two thirds to three quarters of the total labour force. As the contributions to this special feature demonstrate, there is now a move towards closer collaboration between the organised labour movement and informal and precarious workers. To 'organise the unorganised' has always been a challenge for the trade union movement, since these workers are less accessible and fall outside the industrial relations bargaining structures.

Yet trade unions across the South, even ones with strong corporatist traditions, now recognise that the working class reaches well beyond the factory and that their own future depends on engaging with these 'non-traditional' layers. Efforts to organise workers have increasingly brought together informal workers, street traders, the newly unemployed and, sometimes, migrant workers. When different kinds of workers are brought into the fold, trade unions may rediscover more militant approaches to collective organising and political impact. For example, the mobilisation of unemployed workers in Argentina after the 2001 crisis, the piquetero movement, helped revitalise a once strongly corporatist labour movement. It is now playing a big role in preventing the re-election of the neoliberal Mauricio Macri government that came to office in 2015.

These efforts reflect the central importance of informal and precarious labour in terms of shaping the The Social Question in the 21st Century. Due to the emergence and consolidation of neoliberal capitalism from the 1970 onwards, informality/precarity, a condition once thought to be concentrated in the post–colonial world, has become globalised. Whereas the Northern experience is related to the erosion of the welfare state, in the South it is a more long-standing condition related to the super-exploitation of labour by different forms of neo-colonialism and unequal exchange on a global scale.

It is imperative that new forms of organising for change are developed if the trade union movement is not to become irrelevant. The mass trade unions and welfare states of social democratic Europe clearly cannot be replicated in China, India or Brazil. Once seen as the vanguard of a new social order, the contemporary labour movement is now often written off by activists as much as analysts (see the Great Transition Initiative debate on the future of the labour movement). The impact of informali-

Ronaldo Munck works at Dublin City University and is an active trade unionist. sation/precarity is one key challenge it needs to face or be swamped by. What the regional perspectives this week show us, however, is how rich the experience of Southern unions is in tackling informality. Much can be learned from their efforts.

Unions now seem more cognisant that the workers' movement is broader than its organised trade union component. They have worked with informal and migrant workers networks as well as with engaged NGOs to influence government policy and improve social security. The international trade union movement has also played an important role in energising this organising drive, not least through the activities of the global union federations (now covering 20 million workers across 163 countries). These have helped create links across borders and across sectors, such as when Brazilian union networks brought national and international trade unions together in successful collaboration.

#### A global labour movement

Globalised capitalism may thus have created the conditions for the emergence of a global working class not only in terms of material conditions but also in terms of consciousness. Transnationally oriented unions have used globalisation to their benefit by organising transnational labour actions, forming new transnational structures, and fostering solidarity with migrant workers at home. The spread of precarity worldwide has provided a new unifying focus for diverse labour movements. Their own revitalisation – and continued relevance – depends on how successful they are in creating global resistance and offering global alternatives. The stakes are high and the outcome is not a given.

Informal/precarious workers and migrant workers present two challenges to this transformation, however on both fronts we have seen some positive movement. In Brazil, the powerful Central Worker's Union (CUT) sponsored the formation of the Informal Economy Workers' Syndicate (SINTEIN) which took up issues around micro-credit and entrepreneurship supported by the Ministry of Labor's Solidarity Economy Board. In South Africa,

as a result of a decision of the 2012 Cosatu (Congress of South African Trade Unions) congress, a 'vulnerable workers task team' was established to highlight the conditions of vulnerable workers and to organise them into the ranks of trade unions and allied worker organisations in large numbers. Neither of these initiatives were totally successful but they represent a move away from the traditional focus on existing members.

With regard to migration, there are many historical examples of trade unions opposing the entry of foreign workers into the national labour market or seeking exclusion of those already there. In recent times though there has been a recognition from within trade unions themselves that "solidarity with migrant workers is helping trade unions to get back to the basic principles of the labour movement". To 'democratise globalisation', workers' freedom of movement at the national level should also prevail internationally. Latin American trade unions, for example, have committed to promoting, increasing, strengthening, and guaranteeing the freedom of movement for all workers to stay in their own land, emigrate, immigrate, and return.

A new global labour movement should recognise that migrant workers are an integral part of the working class and that they have often played a pivotal role in the making of labour movements. The smartest unions today are treating migrant workers not as a threat but as an opportunity. By making common cause with migrant workers, trade unions have deepened their democratic role by integrating migrant workers into unions and combatting divisive and racist political forces. We've seen this in Singapore and Hong Kong, where state-sponsored unions have recruited migrant workers to mutual benefit. In Malaysia, the Building and Woodworkers International (a global union federation) recruits temporary migrant workers to work alongside 'regular' members of the union. Through such positive, proactive outreach, unions can counter the divide-and-conquer strategy on which anti-union management thrives.

#### The collection

In this collection we develop these themes through a series of regional snapshots to add texture and ground this opening statement. Mark Anner reviews the organising efforts of local, migrant and informal workers in global supply chains, for example apparel companies operating in Central America, and calls for greater respect for union rights. He makes clear the intertwining of different forms of labour exploitation and the crucial importance of global solidarity.

Michelle Ford examines the way in which trade unions and others have sought to organise informal workers (especially migrants) across Asia with varying degrees of success. She shows clearly that organising these workers can be a win-win for the unions and the migrants. Precarious workers need unions not least for their access to national industrial relations machinery but also the international bodies setting labour standards.

Edward Webster turns to informal worker organising in an African context. He shows that while it is a huge challenge, given the high proportion of informal workers, gains can be made when unions focus on the realisation of common interests with workers outside the formal ambit. Emphasis is placed on the ubiquity of labour resistance and the hybrid forms of organising now emerging.

Sally Roever of WIEGO (Women in Informal Employment: Globalizing and Organizing) turns to the pivotal role played by women workers in organising across the Global South in ways that have often been innovative and inspirational. Emphasis is placed on the diversity of organisational forms emerging, where the union form is just one option, and the need for social protection mechanisms.

Sanjay Pinto turns to the broader question of how unions North and South can collaborate better and in particular the importance of organising migrant workers in the North. Some exemplary struggles and forms of solidarity have emerged, as in the SIEU work with migrant workers on the west coast of the US that was a landmark struggle we can all learn from.

# The struggle for work with dignity through broad campaigns and social alliances

Mark Anner

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Power imbalances in global supply chains are used by multinational corporations to squeeze suppliers, and by suppliers to squeeze workers. Yet, supply chains involve far more than buyers, suppliers, and factory workers. Above buyers sit a range of financial sector actors demanding ever increasing returns on their investments, and above them are powerful states and inter-state institutions setting the rules of the game. In the past several decades, those rules have encouraged the proliferation of global supply chains through trade liberalisation and other policies.

At the same time, local factory workers are not the only ones squeezed at the bottom. So are informal sector workers, particularly women, and internal and external migrant workers. Many workers rely on family remittances to survive. They also purchase their goods from workers in the informal sector, whose under-valued labour helps to subsidise the dramatic profits and income of those at the top.

Tackling the challenges facing labour in global supply chains thus involves issues of factory work, the informal sector, and migrant labour. Efforts to achieve sustained improvements will require broad, strategic alliances that bring together labour unions, advocacy organisations for workers in the formal and informal sectors, migrant workers' rights groups, and the philanthropic groups who support these efforts. This broad social coalition will furthermore need to leverage all aspects of the supply chain structure, including suppliers, brands, retailers, the financial sector, states, and international institutions, to achieve positive and lasting change.

#### We alth and power at the top of the chain We now live in a world in which the CEO of Am-

azon, Jeff Bezos, earns \$3,181 per second, which is more than the majority of supply chain workers in the global south earn in an entire year. Amancio Ortega, founder of clothing retailer Zara, has an estimated net worth of \$62.7 billion. That is more than the total annual value of Bangladesh's apparel exports (\$32 billion) and Vietnam's mobile phone and related components exports (\$49 billion). The finance sector – whether it is via shareholders, private equity firms, or other financial instruments – wields enormous power and influence. It has been vital to this dramatic concentration at the top. Amazon's market valuation of \$910 billion is more than that of the its next seven major competitors, including Walmart.

The top of the global supply chain does not end with the finance sector. One step higher are those who make the rules of the game that allow for this massive concentration of wealth and power. States in the Global North made the decisions to deregulate financial markets, especially in the United States. And inter-state institutions, such as the World Trade Organization in the 1990s, made the decisions that liberalised trade in sectors such as apparel, contributing to the further global dispersion of production.

The International Monetary Fund and the World Bank also have used their power and influence to deregulate labour markets and weaken freedom of association rights, which further facilitated the growth of supply chains by increasing downward pressure on wages and workers' rights. Hence, addressing worker rights problems in global supply chains also necessarily entails leveraging powerful state and inter-state actors to change the rules of the game.

# Local, migrant, and informal workers in supply chains

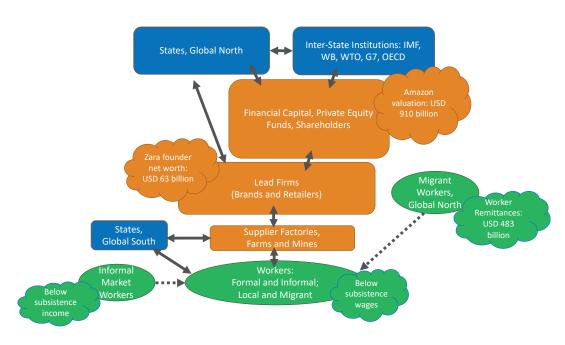
While the role of buyers, the financial sector, and powerful states force us to look more closely at the top of supply chains, diverse worker experiences require us to examine how local labour, informality, and migrant workers all contribute to profit generation in supply chains. In the Dominican Republic, Haitian workers have been used for decades on sugar plantations to keep wages low and unions weak. In India, informal workers – many of them children facing horrifically unsafe conditions – mine the mica that goes into the makeup sold at considerable profit by multinational beauty products corporations. In Bangalore, India, internal migrant workers from northeast India increasingly make up the army of underpaid apparel export workers.

Informal markets for informal workers also help to subsidise those at the top of supply chains. Underpaid supply chain workers do not buy their goods in supermarkets. They shop in the informal sector, where the low income of market vendors reduces the cost of food and other basic goods. How often

do we hear factory owners, brands, and retailers justifying the low wages paid to workers as acceptable because living expenses are relatively 'cheap' in producer countries? It's a common but deceptive argument. What is really happening is that underpaid supply chain workers are buying underpriced goods from underpaid informal sector workers. That is, underpaid informal sector work artificially deflates the costs of living, which permits suppliers to pay workers lower salaries, buyers to pay suppliers less for the products they make, and investors to enjoy better returns. The bottom of supply chains once again subsidises the top.

#### **Remittances: subsidising supply chains**

Completing this picture is the role of remittances. In 2018 migrant workers sent \$482 billion back home to low- and middle-income countries. In El Salvador, remittances are approximately ten times the value of apparel exports. In Bangladesh, while four million garment workers receive less than \$5 billion in annual wages, the country takes in over \$15 billion in worker remittances. In Mexico, where workers labour in apparel, electronics and



The structure of global supply and the role of factory, informal, and migrant workers.

auto-parts supply chains, firms deliberately seek out communities with high levels of remittances in order to more easily pay less than a living wage. Migrant workers through their remittances (just like informal sector vendors) are thus partially subsidising the firms that sit at the top of global supply chains. Despite corporations' claims of the long-term development benefits of global supply chains, poverty reduction in many developing countries is far more likely to be the result of workers receiving remittances from poor workers abroad than it is a result of work in many global supply chains.

#### The way forward?

The problems facing workers in global supply chains are enormous. They include below subsistence wages, sexual harassment, verbal and physical abuse, inhumane production targets, unsafe buildings, and systematic and often violent efforts to deny workers their rights to organise, collectively bargain, and strike. Yet, the figure above provides some indication of what a comprehensive strategy for change might entail. To start, it requires continued and constant pressure on supplier factories, farms, and mines, and on brands and retailers to ensure respect of workers' rights in supply chains.

The figure also suggests that change entails targeting and leveraging the financial sector. This may include leveraging pension funds as part of campaigns or pushing for effective social investment standards. And it certainly entails targeting state and inter-state institutions that set the rules of the game for supply chains. This requires greater regulation of the financial sector, trade rules for sustainable development, immigration reform, comprehensive mandatory due diligence legislation, and binding treaties.

Private governance, such as the binding accords in Bangladesh and Lesotho, are also powerful and necessary instruments for change. The analysis above also points to myriad ways in which a full range of workers – local and migrant, formal and informal – contribute to the considerable wealth generated by supply chains. This highlights the crucial need to achieve full respect for freedom of association rights and organise all these workers through better labour laws and more effective enforcement so that they are empowered and engaged in collective responses to the enormous challenges they face.

The author thanks Catherine Bowman and Cathy Feingold for helpful feedback on earlier versions of this article.

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## Precarious workers need Asia's unions

### Michele Ford

#### **Precarious workers need Asia's unions**

In the Global North, changes in the organisation of work and employer strategy have rendered existing unions less powerful and put unionism out of reach for large groups of workers. In Asia, the situation is even more complex. Many Asian countries have large informal sectors, unregulated by labour law and unrepresented in the formal industrial relations system. In addition, large numbers of workers are employed on an informal basis within formal sector industries.

In many cases, Asia's unions have ignored these precarious workers. This is perhaps not surprising since many of the region's labour movements are weak from decades of repression and sometimes struggle to represent the interests even of their 'core' membership. Informal associations, many of them supported by non-governmental organisations (NGOs), and even the international labour movement have tried to fill the gap. Yet – despite their evident weaknesses – unions remain an important part of the puzzle by virtue of their role in national industrial relations systems and the international bodies that set labour standards.

#### The informal sector and beyond

A large proportion of Asia's workforce are employed in informal occupations, with rates of informal work ranging from a low of 20% in Japan to above 90% in Cambodia, Laos and Nepal. Classic informal occupations include street vending, parking assistance or rubbish picking. But informal workers are also found in formal sector industries, as in the case of homeworkers employed by large garment manufacturers. These longstanding categories of informal workers have been augmented in recent years with the emergence of the gig economy, where workers are formally categorised

as independent contractors despite their employment-like relationship with platforms like Uber.

In addition to informal sector workers, Asia's economies are home to a growing group of precarious workers in mainstream workplaces like factories. According to one study, non-standard work accounts for about one in three rank-and-file workers in the Philippines, and close to one in four of all employed persons in Malaysia. Employed through labour outsourcing companies, casually or on short contracts, these precarious workers often do exactly the same work as permanent employees. This increase in precarious work is not limited to developing Asia. It is also widespread in the advanced economies in the region, including Singapore, Japan and South Korea. In South Korea, for example, it is estimated that over a third of the workforce is employed in some form of precarious work.

#### The benefits of non-union organising

There are many kinds of organising initiatives that involve precarious workers, from tiny community collectives, to associations of app-based transport workers, to India's famous Self Employed Women's Association, which brings together homebased workers, small-scale vendors, daily labourers and service providers. A more recent example of non-union organising has emerged alongside the growth of the gig economy. In India, for example, app-based transport providers have organised mass protests, including a strike for thirteen days in February 2017 of Uber and Ola drivers. In Indonesia, too, app-based transport providers have formed local collectives that come together in regional driver associations. Through these collectives and associations, drivers have mobilised to demand that the app companies improve wages and conditions and that the government recognise them under labour law.

Michele Ford is the Director of the Sydney Southeast Asia Centre (SSEAC) at the University of Sydney, Australia. Non-union worker associations often focus on practical measures like improving the economic position of their members by establishing cooperatives or providing support when their members get into some kind of trouble. Their strength lies in their responsiveness to the needs of workers that sit outside the constituencies of mainstream unions. For example, migrant domestic worker organisations in Hong Kong focus on the needs of women who come to the city-state to live and work in their employers' homes, dealing with issues ranging from sexual violence and unwanted pregnancy to unpaid wages and immigration matters.

These kinds of organisations do have some weaknesses, however. If they are purely self-supporting it is difficult for them to scale up, or sometimes even sustain, their activities. Where they are more formalised, they tend to rely on external support from NGOs or the international labour movement. For example, the IUF – one of the global union federations – sponsored the formation of the International Domestic Workers Federation and provides a home for SEWA. These relationships mean that such organising initiatives are vulnerable to changes in the focus of supporting organisations or in the funding priorities of these allies or their donors.

Perhaps even more important in terms of the bigger picture, non-union worker organisations operate outside the formal industrial relations system. Registered unions (at least in theory) have the right to bargain collectively on behalf of their members through formal industrial relations mechanisms and participate in tripartite structures at the local, national and international levels – including the International Labour Organization, the world's primary labour standard-setting body. Other kinds of organisations do not have these rights. As a consequence, they have to rely primarily on campaigning or mass mobilisation to promote structural change in the world of work.

#### Why unions matter

One way to overcome this limitation is to find ways to incorporate grassroots organising initiatives into the union movement. Take, for example, the case of temporary labour migrants. In South Korea and Hong Kong, migrant-only unions sit under the umbrella of a progressive union confederation. In these and some other Asian countries, unions also reach out to migrant workers directly with a view to recruiting them as regular members. For example, the Timber Employees Union Peninsular Malaysia began organising foreign workers in 2006 with the help of a Nepalese organiser funded by BWI, another of the global union federations. By 2008, migrants accounted for over 10% of the union's total membership.

Encouraged by the international labour movement, several Asian unions have also made attempts to grow their membership by recruiting other kinds of precarious workers. For example, the General Federation of Nepalese Trade Unions has grown its membership through a focus on organising precarious workers in agriculture. As part of this strategy, they have campaigned for the government to increase the minimum wage and to apply it to all workers. Asian unions have also experimented with reaching out to gig economy workers. In Indonesia, for example, the powerful metalworkers' union has attempted to reach out to app-based transport workers through their local communities.

Union engagement is not always enough, especially as many Asian labour movements struggle with the legacies of authoritarianism and/or ongoing persecution by their own governments. In addition, most of the region's unions remain focused on large, formal-sector workplaces in traditionally unionised industries. In these circumstances, it makes absolute sense for sectoral unions to organise precarious workers in those industries. The argument for targeting other groups of precarious workers is, however, much less compelling. Some activists may argue that unions' narrow sectoral focus constitutes a damaging form of labour aristocracy, but there is a very real risk that they could spread themselves too thin. In such cases, then, union involvement in advocacy or political campaigns - alongside NGOs and grassroots worker associations - may be the best way to help workers pursue their labour rights.

# Organising precarious workers in Africa

## **Edward Webster**

The labour market is a key institution for shaping the distribution of resources in an economy. This is true for two reasons. First, wages are an important source of income for most individuals. Second, the wage relationship is a key site of contestation over the resources that are produced.

However, in Africa the industrial working class is very much a minority of wage earners. Instead, what you have are quite flexible classes of labour. What I mean by this is that while people still need to sell their labour power – either directly on a wage labour market or indirectly through some form of product market – categories like 'worker', 'peasant', 'employed' and 'self-employed' are fluid.

This presents a unique challenge for organising labour in Africa, however groups of precarious workers, NGOs and some trade unions are trying. I would like to present three case studies to illustrate this development. First, labour broker workers at Heineken's brewery in South Africa illustrate how organising in the formal sector takes place while "working under conditions of informality". Second, Tanzania's dala dala workers - informal minibus drivers and their assistants - demonstrate workers' efforts to challenge informalisation in the public transport sector. And third, informal tailors in Nigeria give us a good look at how formal and informal workers can come together under a single textile workers' union. I conclude by emphasising the hybrid nature of the forms of organisation that are forming on the periphery of the labour movement in Africa.

# Organising through the realisation of common interests

The Heineken plant in South Africa does not directly employ everyone who works there. Only

the highly skilled workers engaged in the brewing process are directly employed. Everyone else comes from employment agencies. These companies compete for contracts with Heineken by lowering wages and increasing workloads. Workers are divided and put in competition with each other, making collective action difficult. The trigger that led the outsourced workers to unite behind a common demand was, according to the researcher Thomas Englert, amendment 198 of the South African Labour Relations Act. This makes agency workers employees of the client after three months of work. For the first time outsourced workers had the possibility of direct employment with Heineken, a prospect which raised their expectations and led them to pursue their common interests.

The precarious workers at the Heineken plant were already members of the traditional Food and Allied Workers Union, but this did little besides collect subscription fees and intervene in some individual cases. The union also kept the permanent and precarious workers separate, refusing to let them organise common meetings. The workers finally found a way forward when they met with staff from the Casual Workers Advice Office, a South African NGO, who helped them to mobilise through the newly amended Labour Relations Act. This helped the workers to unify around the demand for permanence rather than competing against each other. They formed a workplace forum based on free membership and transparent decisions taken in open assemblies. With the help of the advice office, the workers deployed a mix of strategies that included using the law, limited strike action, and a media campaign to pressure the employer to change.

In Dar es Salaam, Tanzania, the privatisation of the public transport system fragmented existing Edward Webster is a Distinguished Research Professor in the Southern Centre for Inequality, founder, and associate of the Society, Work and Development Institute Studies at the University of the Witwatersrand.

work into an intricate system of small owners, drivers, and conductors. Those that have assigned buses have more or less steady employment, while the others take what work they can find. Considered as self-employed workers, the drivers, conductors, and their assistants must pay the bus owners daily rent and then share whatever little is left. This system leads to a market structure of thousands of atomised work units waging intense competition under self-exploitative practices. They speed to get more runs into a day and overcrowd the buses in order to meet quotas and compete for clients.

To overcome these divisions the workers formed an association and paid a formal visit to the established transport union, the Communication and Transport Workers Union of Tanzania (COTWUT). This meeting, according to Matteo Rizzo's book on the subject, triggered a process where these two distinct institutions went about "building a shared notion of the exploitation faced by Dar es Salaam's transport workers and a strategy to address it". The strategy was three-fold: first, they shared in detail their working reality; second, COTWUT contributed funds for organising; and third, they employed transport workers themselves to promote the association at a street level.

It was only after they established the link with COT-WUT that they managed to formalise their association and extend their scope, building a campaign for employment rights (contracts). They made use of the union's political connections as well as the occasional threat to paralyse the city in order to put pressure on local governments and, by extension, on the bus owners. As their campaign grew, they engaged with a range of relevant national government departments – to stop the state from criminalising their efforts – and forged alliances with likeminded groups.

The National Union of Textile, Garment and Tailoring Workers of Nigeria lost 40,000 members

between 2000 and 2016 in the face of massive retrenchment in the textile industry, as a result of intensified international competition. To re-fill its ranks the union began to recruit traditional self-employed tailors on the basis of certain common interests - the need for cheap electricity and water, and regulation of foreign imports. The union also adapted its structures. It developed specific trainings for self-employed tailors, such as seminars on new trends in fashions and financial literacy, and began to address their problems. It also prioritised education and capacity development for female members as a way of promoting women's participation in the union. They amended the constitution to increase women's involvement in leadership structures at all levels of the union, aiming at a target of 40% women representation.

This was a big step up for the self-employed tailors in comparison to their older associations, which lacked political influence. Showing a union membership card, on the other hand, diminished police harassment significantly. This allowed the associations and the unions to recruit thousands of self-employed tailors countrywide.

#### Organising locally in global industries

A lot of ink is spent discussing the impact of globalisation on local workers, but reports on how those workers fight back are rarely seen. However there is plenty of movement there if one cares to look. What's especially important to see is how trade unions change when they begin to advocate for informal workers as well. They often become 'hybrid' organisations, which include different forms of organisations and blur the distinction between traditional unionism, informal workers' associations or cooperatives. An understanding of these new forms of organisation must be at the centre of any attempt to understand an emerging global labour movement.

# Workers' rights in informal economies

## Sally Roever

Every day for 30 years, Gloria Solorzano has left her small house before dawn to set up a fruit and vegetable stall at a street market in Lima, Peru. She pays a man with a station wagon to drive her and the produce she sells to the market, where she pays another man to load her crates of produce onto a trolley and take them to her stall. Around sunrise, she starts selling, under the protection of a security guard she pays to ensure she and her clients are safe, on streets she pays to be cleaned, under lights she pays to be turned on.

Gloria is just like most workers in the world – that is to say, informally employed. She is embedded in dozens of economic relationships, paying for the services she needs in order for her business to run and paying a daily fee in exchange for the right to work in the street. At any moment, despite the investments she has made both in her business and in the market itself, the local government could take away that right.

Slightly more than 60% of all working people in the world are informally employed. This means that they lack the labour and social protections that help smooth income, protect against risk, and keep households out of poverty. Without access to economic and social rights, it is difficult for informal workers to actively contribute to building open, vibrant, democratic societies. How can their situation be improved? What can be done to 'formalise the informal economy'?

#### **Building collective power**

First and foremost, workers need support to build democratic, accountable organisations to represent them in policy processes and negotiate with governments and corporations. To be sure, there are challenges to organising informal workers: they have diverse workplaces, their employment relationships are disguised, and their low and unstable incomes make participation difficult. Yet they have several decades of experience now in forming global and regional networks, developing innovative organising approaches, and bringing collective bargaining to informal workplaces. The bigger challenge is finding ways to use their power to ensure that governments uphold their duty to protect rights and that corporations uphold their responsibility to contribute their fair share to society.

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"Informal workers are the 'missing middle' when it comes to access to social protection"

Key to that challenge is finding the right organisational form for different occupational groups within the informal economy. At the global level, organisational forms vary according to political traditions and the ways in which base organisations are structured. Models include StreetNet International's trade union model, based on the structure of a global union federation; the trade union-supported model where informal worker organising is incubated within formal trade unions, such as the IUF and the International Domestic Workers' Federation; the networking model of the Global Alliance of Waste Pickers; the anti-hierarchical, anti-bureau-

cratic, cooperative-based social movement model of RedLacre; and the NGO-support model such as HomeNet South Asia. These different forms of organising enable different worker groups to build collective power across geographies and bring visibility to their role in the global economy.

#### Adjusting policy to reality

Governments, in turn, need a clearer picture of what jobs look like today. Policies can no longer rely on models that assume most workers are wage employed, with steady income and workplace benefits. Urban policies, social policies, and employment policies need to recognise that a typical worker in today's economy lacks the type of institutional buffers against risk that formal wage workers used to enjoy.

Without long-term contracts and institutionalised access to health insurance, pension, childcare, and other workplace benefits, risks like illness and injury are individualised. And when combined with the costs that workers like Gloria bear to earn a livelihood, they prevent workers from working their way out of poverty, and in turn from being able to fully participate in democratic life. Workers' organisations can play a role in helping governments design more appropriate, innovative policies that are better suited to today's globalised economy.

Urban policies, social policies, and employment policies must also recognise that informal enterprises engage on unequal terms with formal enterprises. Small informal enterprises face structural disadvantages in their interactions with large formal enterprises, and regulations that aim to encourage formalisation can exacerbate those unequal terms of trade.

This problem is linked to the problem of job quality: as limits on corporate power get weaker globally, formal firms become more adept at outsourcing risk and blurring relationships of accountability. This leads to lower quality jobs and fewer paths for workers to work their way out of poverty. The increasing inequality that results has consequences for everyone.

#### Holding partners accountable

Fortunately, informal workers' organisations are finding innovative ways to ensure that governments and corporate entities play their part in building more economically just societies. A useful example is the role informal workers' organisations have played in developing new approaches to social protection.

Generally speaking, informal workers are the 'missing middle' when it comes to access to social protection: they are excluded from work-based protection because they lack a regulated employer-employee relationship, and they are excluded from poverty-related social assistance because they are in the workforce. Yet some have found solutions that combine their own contributions to social protection with contributions from the state and/or from those who pay for their services.

For example, Mathadi Boards in India provide social protection for headload porters, which they finance through an additional charge levied onto the cost of hiring. Similarly, waste pickers are exploring the possible role of extended producer responsibility in facilitating a corporate role in creating safer working conditions, particularly at dumpsites.

In sum, despite the substantial challenges of organising informal workers, there are also promising developments that require more attention and support given current conditions in the global economy. Workers like Gloria create jobs for themselves and others, while also making an effort to inform policies by representing workers who are otherwise marginalised from mainstream political processes. Their role in advancing economic and political rights should not be overlooked.

# Reviving labour's fortunes by centring the margins

## Sanjay Pinto

How can workers from Africa, Asia, and Latin America organise collectively to advance labour rights and strengthen democracy? Labour movements in the Global South have clearly been grappling with this question for a long time, including the crucial issue of how to gain traction in the vast, informal economy where workers lack basic legal and social protections. Amidst a surge in exclusionary nationalism, labour movements in the North also need to take up this question with added energy. How workers with origins in the Global South organise in the Global North and how labour movements from different regions pursue joint action will be hugely consequential for the future of labour rights and democracy worldwide.

Migration from South to North is neither new nor limited to any particular group or social class. However, immigrants from the South make up an outsized share of the North's labour 'periphery', where precarious livelihoods and informal work are widespread. The American janitorial sector is a good example. In California and elsewhere, accelerated subcontracting of janitorial services in the 1980s led to de-unionisation and an erosion of hard-won gains. Many native-born workers subsequently exited the industry and were replaced by new immigrants from Latin America and elsewhere in the Global South.

The US lags behind its European peers in the strength and reach of its labour movement. Somewhat counterintuitively, this seems to have created more space for experimentation in the margins of the American labour market. In the case of the janitorial sector, the Justice for Janitors campaign developed a strategy for unionising subcontracted workers that applies direct pressure to companies at the top of contracting chains. Highly visible worker protests have been

a key movement tactic, belying the notion that new immigrants are timid and 'unorganisable'.

There have also been innovations in areas of informal employment where traditional unionisation is not currently a viable option. Due to a history of racialised exclusion consolidated during the New Deal era, domestic workers in the United States lack many labour and employment protections. Mostly women and disproportionately black and brown immigrants, nannies, home care workers, and housecleaners continue to confront problems such as wage theft and harassment, often without recourse. A movement of worker centres has emerged in this context and others like it to address such abuses. In addition to their grassroots organising work, the National Domestic Workers Alliance and its local partners have pushed through domestic worker bills of rights in several states, have a federal bill in the works, and recently launched a benefits platform for house cleaners.

Immigrant workers also have a large presence in the US worker cooperative movement. The Bronx-based Cooperative Home Care Associates (CHCA) is the nation's largest worker co-op by far with a workforce of around 2,400 mostly black and brown immigrant women. Even in the part of the home care industry that receives government funding, the workforce is exploited and undervalued due in large measure to the race and gender of those doing the work. CHCA, which unionised in 2003, has developed a number of innovative policies to address some of the issues facing this workforce. These include a system that guarantees a minimum number of paid hours each week, reducing the income volatility that is a key source of stress and uncertainty.

There are certainly challenges and limitations to

Sanjay Pinto is a Brooklyn-based sociologist. He is a fellow at the Worker Institute at Cornell and the Rutgers School of Management Labour Relations. these models. A number of unions have grown their membership rolls by organising immigrant workers, but they've found this quite difficult to do outside of a few select cities and states where the politics have proven amenable. For worker centres, developing durable membership structures and achieving financial independence has been an ongoing challenge. Many worker cooperatives have also struggled to become self-sustaining, and the kind of scale achieved by CHCA remains a rarity. All of these models frequently face questions around how well the composition of their leaders and those with ultimate control over resources reflect member demographics.

Still, there are important takeaways. Replicating different features of these models may help to provide a foothold for others facing extreme marginalisation. They may also offer a set of tools for grappling with dynamics affecting large and growing numbers of working people across advanced democracies. An expanded repertoire of social movement tactics could prove useful for unions that are confronting increasingly hostile employers even in areas of traditional strength. Approaches developed by worker centres may help to support a widening spectrum of working people finding themselves in precarious and non-standard work arrangements. With a bigger footprint, co-ops and other forms of mutualism could be a potent antidote to the winner-take-all individualism that drives our governing economic logic.

#### The right path for labour?

Inspiring stories of immigrant organising must compete with a right-wing populist narrative that has recently yielded electoral gains in the US, Europe, and other parts of the world. Xenophobia is hardly a new phenomenon within advanced democracies, and immigrants from the Global South whose skin colour or religion marks them as visibly different have often come in for intense forms of exclusion and mistreatment. Today's right wing-populists travel a well-trodden path when they demonise immigrants as a drain on resources, a threat to cultural integrity, and a risk to national security.

Labour movements in the Global North are at a crossroads in this environment. In recent decades, a number of unions and union federations have recognised the importance of extending their reach into growing immigrant populations. Many have adopted a more solidaristic stance towards immigrant workers and have helped to support the kinds of developments sketched above. But these changes have not been embraced by all segments of organised labour. And, recently we've seen evidence of that at the ballot box in Germany, the US, and other countries where right-wing populists have made inroads among union members.

Northern labour movements can choose to go with the flow of right-wing populism in this environment, following the currents of exclusionary nationalism that are a sad part of their legacy. This could come in the form of soft acquiescence – quietly retracting support for efforts to build power and voice in immigrant communities, shrinking from an approach that boldly fosters multiracial and cross-national solidarity among working people, and centring the white, male industrial worker as the emblem of working class striving.

It will be a shame if this is the story written years from now. Despite all their difficulties, labour movements are uniquely positioned to cultivate broad-based solidarity and reorient left and centre-left parties around an agenda that speaks to the needs of ordinary working people. On the home front, taking up this challenge should include supporting and drawing inspiration from new immigrant organising and linking it to broader struggles for labour rights and social equality. Globally, it should include expanding cross-border solidarity work that deepens connections between labour activists in the South and North.

Northern labour movements need to go all in on solidarity. By doing so, they can help restore the promise of pluralist democracy and usher in a new era of organising and experimentation that builds power for all working people.



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