Globalization and Securing Rights for Women Informal Workers in Asia

JEEMOL UNNI

Jeemol Unni is a professor at the Gujarat Institute of Development Research, Ahmedabad, India

Abstract The major paradigms of the development discourse have recently incorporated the language of rights. To move from the rhetoric of human rights to concretely elaborate the content of rights for informal workers, particularly women, in Asia is the purpose of this paper. Using a rights-based approach to development, the paper takes up the issue of gender-enabling worker rights in the context of developing economies that are increasingly open to external influences. A matrix of rights consisting of the right to work, broadly defined, safe work, minimum income and social security are identified as core issues for informal workers. Further, we focus attention on four specific groups of informal workers: self-employed independent producers and service workers, self-employed street vendors, dependent producers such as homeworkers and outworkers, and dependent wageworkers. Gender-sensitive micro-economic and macro-economic and social policies are identified for each of these segments of the informal workers. The access to economic, market and social reproduction needs are to be addressed simultaneously to ensure the basic matrix of rights for women informal workers in developing countries. Each of the needs of the workers have to be viewed as a right and a system of institutions or mechanisms that will help to bring these rights to the center of policy have to be worked out. The claim of women and informal workers for a voice in the macro policy decisions through representation at the local, national and international levels is at the heart of the rights-based approach.

Key words: Informal sector, Economics, Women, Gender, Human rights, Macro policy, Globalization

Introduction

Globalization has raised controversies regarding who benefits and who suffers in the process. It has exposed deep divisions between groups who have skills and those that do not, those who are mobile and those who are not. This has resulted in severe tension between the market and social groups, with governments finding it difficult to handle the situation (Rodrik,
This has also exposed fault lines between the formal and informal economy, the North and South countries, and workers and employers.

Concomitantly, the question of human rights has taken a prominent place in the development discourse. The focus has, however, been mainly on political and civil rights as opposed to economic and social rights. In recent years interest in economic and social rights has been growing, especially with the growing tensions generated by global capitalism. A critical issue gap in the literature is how to move from the rhetoric of human rights to elaborate concretely the content of specific rights. This paper is an attempt in this direction taking the specific context of women in Asia.

In the following section we review the changing paradigms of development discourse and the inclusion of human rights in the debate. A gender analytical framework to study the rights of women workers in the Asia in the context of globalization is also presented. Next we discuss the impact of globalization on countries North and South, the gender implications and the issues of core labor standards that arise. In the final section we set out the rights of workers and propose a strategy to take these forward. Using a rights-based approach to development, the paper takes up the issue of gender-enabling worker rights in the context of an Asia that is increasingly open to external influences. We suggest a matrix of rights for informal workers and possible macroeconomic and social policies to achieve these rights.

Changing paradigms of development discourse: links between rights and economic development

The evolution of development thinking has come full circle. From the original focus on economic development with redistribution of incomes and equity as its goal, mainstream economic thinking moved to a narrow focus on economic growth, mainly gross domestic product (GDP) and efficiency. Economic growth was to be achieved by economic restructuring through trade liberalization, privatization and stabilization, which came to be known as ‘the Washington Consensus’. The emphasis on adjustment policies under this consensus had relegated the discussion on inequality to the sidelines, not withstanding a greater concern for poverty in the 1990s. In contrast, the United Nations Development Program (UNDP, 1990) presented a new development paradigm of human development questioning the prominent World Bank/International Monetary Fund strategy of growth in GDP alone as a goal of development. The International Labor Organization (ILO) has recently come up with a new slogan of “decent work for all” linking human rights and development (ILO, 1999).

Human rights were first articulated in 1948 with the Universal Declaration of Human Rights. While this declaration proclaimed both political and economic rights, subsequently two separate protocols were drafted dividing rights into civil and political rights and economic, social and cultural rights, The International Covenant on Civil and Political Rights, and The
International Covenant on Economic, Social and Cultural Rights were adopted in 1966 and entered into force in 1976.

Civil and political rights were thought of as ‘negative rights’. In other words, governments should refrain from impinging on these rights but the realization of these rights required little direct government intervention. In contrast, economic, social and civic rights are ‘positive rights’ since the government must do more than provide individual entitlements. These were seen as exorbitantly costly and requiring massive state-provided welfare. Further, while civil and political rights were seen as precise and possible to implement immediately, economic rights tended to be vague and unenforceable, and would be realized progressively. Asymmetry of resource costs explains the powerful hold of negative rights.

The Convention on the Elimination of all forms of Discrimination Against Women is the most comprehensive treaty on women’s rights and is often described as the international bill of rights of women. It was adopted by the United Nations General Assembly in 1979 and came into force in 1981. As of April 2000, the Convention had been ratified and acceded to by 165 States, making it the second most ratified international human rights treaty (United Nations, 2000).

**Gender analytic framework**

Feminist economics with a focus on the gender division of labor has constituted another challenge to traditional economic theory, and in some ways to the Washington Consensus. One of the important insights of feminist research has been to highlight the limitations of the macro-structural adjustment account of globalization (Ganguli-Scrase, 2003). The second major contribution of Feminist Economics is to conceptualize the role of power and control as a ‘gendered relationship’, which determines the disadvantaged outcomes of women in the labor market and in the household.

Work on the gender dimensions of international trade in developing countries has mostly concentrated on its impact in terms of employment, income and welfare. However, there has been a rich debate, mainly contributed by the feminist literature, on the impact of trade on the social relations of gender. This literature evaluated changes in the composition of employment by gender. It studied the income distribution of their employment, not just by the amount of wage payment, but whether and under what circumstances the wage incomes were retained by the women, and what effect the women’s money earnings had on social relation with other members of the household and the broader community. By distinguishing between the employment and income effects of trade in this way, the gender literature added a new dimension to the debate on impact of trade on employment (Joekes, 1999).

The path of globalization, its sequence and timing has been varied in the many regions of the world. Before the World Bank/International Monetary Fund-induced structural adjustment programs began in many countries, export-oriented manufacturing was the path followed by the first-tier, newly
industrializing countries in East Asia to achieve unprecedented growth. There is no doubt that this export-oriented path raised incomes and wages, of men and women, over a short time. However, the gender-wage gap and occupational segregation remained large (Razavi, 1999). In the accounts of the determinants of the Asian economic growth, the positive role of exports in generating domestic access to foreign technology is acknowledged. There is also convergence on the opinion that low wages or income inequality was the major source of the growth. A relatively recent account of the Asian economic growth goes a step further and shows that economies with the widest gender wage gaps grew most rapidly (Seguino, 2000).

Standard trade theory predicts that, in low-income countries, trade expansion would be labor intensive and thus enhance labor incomes. This simple model overlooked the feature intrinsic to these economies; namely, surplus labor. Early Asian export industrialization quickly exhausted the labor surplus leading to rising wage rates. But in large countries, highly elastic labor supply counters any tendency for real wages to rise, particularly for low-skilled labor. In fact, shortage of labor is felt in the high-skill categories where wage rates and share of profits rise, leading to increasing inequality in the income distribution between skill groups. The low-skilled categories are mainly in the informal sector and consist mainly of women. Further, the gender impact of undervaluing skills that women bring to the labor market undercuts male wage rates and reduces the bargaining power of labor (Joekes, 1999).

The gender segregation of occupations the world over is well documented (Anker, 1998). Women tend to concentrate in specific occupations that are low-skilled in the production sector, or based on a gendered notion of women’s work mainly in the service sectors such as education, health or ‘care work’. Much of this work is in the informal sector. Even in countries with a large modern sector, a significant proportion of women are in informal jobs, without formal contracts and associated benefits (Charmes, 2000). In recent decades, however, an increasing participation of women in the labor force and a small fall in men’s employment is accompanied by a feminization of many jobs traditionally held by men (Standing, 1999a). But again this probably implies a deskilling process through new technologies, or an informalization process through out-sourcing. Globalization is partly responsible for this phenomenon, through which the labor force is made more flexible.

Globalization policies involved increasing the openness to trade with other countries. Feminist economists since the mid-1980s have argued that the distribution of cost and benefits of the market-oriented structural adjustment programs have implications for gender inequalities (Cagatay et al., 1995; Grown et al., 2000). While new forms of inequalities have resulted from this process, it has also opened up new spaces for women to enter the labor market and free themselves to some degree from patriarchal clutches. These opportunities for greater independence also help to interrogate and modify gender relations and ideologies (Ganguli-Scrase, 2003).

The third major contribution of Feminist Economics has been to call
attention to the serious neglect of the non-market sector of the economy. They point to the fact that the dominant economic theory views labor as a non-produced input and thus disregards the role of unpaid labor in social reproduction, and in household and community work. Further, the neglect of the care economy was reflected in the dominance of the male breadwinner model, which has shaped much of social policy in industrialized and developing countries. The underlying norms on gender roles and responsibilities are also critical in defining the opportunities available for women, and even men, in the course of development.

Policies designed to foster greater supply of ‘caring labor’ appears ‘unproductive’ or ‘costly’ when viewed in terms of economic efficiency and narrow measures such as the contribution to the GDP. The erosion of family and community solidarity imposes enormous costs that are reflected in high crime rates and a social atmosphere of anxiety and resentment. In the past, the sexual division of labor based on subordination of women helped to minimize the cost and difficulty of care and nurturance of human capital. Today, however, the cost of providing caring labor should be explicitly confronted and fairly distributed (Folbre, 1999).

An impact of globalization, when countries compete for a share in the global market, is the need to cut costs. The costs and burden of care and social reproduction are pushed on to the women, who are known to take the full responsibilities of feeding the families at great cost to themselves. It has been documented that the economic and social impact of the East Asian crisis fell more heavily on women than on men. Apart from the direct impact on their capacity as earners, the indirect impact on women was their role as the providers of the last resort or the de facto safety nets of society (Floro and Dymski, 2000; Lim, 2000).

Another impact of globalization is that labor is less mobile compared with capital and, given the constraints already noted, in general, male informal labor is more likely to be mobile than their female peers. However, an interesting and new impact of globalization observed recently is the flow of women migrants from the South countries, including Asia, to the North countries, recruited to meet the demands of child care, domestic work, care for the elderly and handicapped (Chant, 1992). The incorporation of women into domestic and care work partly reflects the inequalities arising from globalization, the gender segregation in the labor market and the fact that third world women have few skills other than their domesticity to improve the economic status of their households (Raijman et al., 2003).

Women are constrained by their social reproduction functions as well as cultural factors so that they are less mobile. This has implications for the type of work to which they have access, which with the globalization process is increasingly in informal work. In a recent article on decent work and development policies, Fields (2003) places the priority for ‘decent work’ agenda on helping ‘the poorest workers in the world’. Women informal workers in Asia would clearly qualify for such attention. There is an urgent need to re-assess and bring to the fore the economic and social rights of these women as members of the growing workforce.
Trade and core labor standards

Globalization through liberalization of trade affects the countries in the North in three possible ways. The first, examined most extensively in the literature, is the effect on the relative demand for skilled and unskilled workers. This implies an inward shift in the demand curve for low-skilled workers in advanced countries. Early studies used the reigning Heckscher–Ohlin theory of international trade and focused on how much trade reduced the demand for unskilled labor in the developed countries.

The second impact of international trade was the greater ease of substitution of low-skill workers in the advanced countries by workers across borders through subcontracting or foreign direct investment. This implied an increase in the elasticity of demand for workers in advanced countries or a flattening of the demand curve for labor. The impacts on labor markets are the volatility of earnings and hours of work, and the decline in bargaining power in the workplace. In an open economy the first impact leads to what has been commonly called the ‘race to the bottom’. Countries in the South compete with each other to lower labor standards, and this forces countries in the North to do so as well to prevent footloose capital and employers from deserting them (Rodrik, 1997). The impact on bargaining power is less well studied. All this had led to the third effect of international trade increase in job insecurity in the 1990s in the North. Farber (1996) found that the rate of job loss in 1991–1993 was higher than in the severe recession of early 1980s.

The consequences of the popularly perceived impact of globalization on labor markets in advanced countries has been the demand for ‘fair trade’ and a ‘level playing field’ in international trade. Much of the discussions surrounding the new issues in trade policy are those of core labor standards, environment, competition policy and corruption. The deregulation of markets and contradictions within the reform policies led to increasing wage inequalities and volatility in labor conditions. With the increasing focus on these issues, globalization increases conflict between nations over domestic norms and the social institutions that embody them.

The response of the World Bank and of the North countries was favorable to the articulation of core labor standards applicable to all countries to counter the declining standards. A similar response came from trade unions of the North faced with a decline in jobs in the formal sector and declining union membership. Finally, to the international agencies such as the United Nations, the ILO and the World Trade Organization, with their battery of international laws, rights and conventions also, the core labor standards seemed a solution to the negative impact of globalization. Thus, with the backing of all these institutions, core labor standards and the talk of a social clause in international trade agreements became a reality.

The ILO, in its International Labor Conference, June 1998, adopted the Declaration on Fundamental Principles and Rights at Work. The worker’s rights referred to as the “core labor standards” of the ILO included in this document are seven ILO Conventions. These Conventions focus on issues of
the right of freedom of association and effective recognition of the right to collective bargaining (Convention Numbers 87, 1948 and 98, 1949); elimination of all forms of forced or compulsory labor (Convention Numbers 29, 1930 and 105, 1957); effective abolishing of child labor and minimum age (Convention Numbers 138, 1973 and 182, 1999); and elimination of discrimination in respect of employment and occupation, and equal remuneration (Convention Numbers 100, 1951 and 111, 1958).

Workers in developing countries and labor standards

The insecurities faced by informal workers in the process of globalization require a whole matrix of rights, and the core labor standards, as formulated earlier, do not address these. Other ILO Conventions such as Home Work Convention, 1996 (Convention Number 177) need to be included in the core labor standards in order to address these workers.

The self-employed traders and manufacturers, who form a major component of the informal workforce in Asia, are not represented in these conventions. The rights of market workers to bargain with local authorities and home-based workers with intermediaries must also be asserted, besides that of employers and employees, and appropriate institutional structures created. These different conventions partly encompass the matrix of rights required to take account of the specific insecurities faced by the informal workers. However, the realization of these rights actually requires a context specific articulation and voice at various levels.

Worker rights and macro policy

How does the discussion on globalization inform worker rights for informal workers? By pointing to the lacuna in the policy reforms that accompany the globalization process, feminist economists have pointed to alternative, gender-aware policies consistent with the goal of human development. The changing paradigms in the development discourse pointed to a possible convergence between social and economic policies in response to the dangers of globalization faced by both North and South countries.

It has been argued that the soundness of macro-economic policy should be judged from the point of view of social justice. While the rights-based approach has become quite prominent in the discourse, it has not been translated into any precepts of macro-economic policy. A reformulation of macro-economic policy and international trade regimes that puts development first is more likely to be gender sensitive. Focus on development and reduction in poverty that goes beyond the exclusive focus on income and consumption levels to embrace human capabilities can be considered a more rights-based approach (Rodrik, 2001).

Gender-sensitive macro policies should address the issues of economic/ market access of the workers in the informal sector and their social reproduction needs simultaneously. The policies to be addressed are macro-economic, labor market and social reproduction policies. The informal workers are a
heterogeneous group having varied needs. Macro policy has to keep the specific segments of the informal workers in view in order to devise policies appropriate for them, or at least not to discriminate against them.

Rights of informal workers

We present in the following a basic matrix of rights to which an informal worker should be entitled. While these rights are addressed to all informal workers, the specific needs of women informal workers will be addressed in detail. We further identify specific groups of informal workers and suggest how macro-economic and social policies could address these basic rights.

- **The right to work.** The concern about the implications of assuring a right to work where work is considered as a job has bedeviled the debate (Standing, 2002). A large proportion of informal workers generate incomes for themselves through self-employment or dependent wage employment. The guarantee of the right to work requires policies that enhance chances for such work. It does not necessarily imply direct government provisioning of ‘jobs’.
- **The right to safe work.** This implies safety at the place of work, not just in terms of non-hazardous work, but safe conditions and occupational health.
- **The right to minimum income.** This right is central to the work and life of informal workers. Without income security no other security is possible or meaningful. It entails polices that focus on productivity, incorporate new technology, upgrade skills and enhance access to credit and markets of informal producers and service workers.
- **The right to social security.** Besides the minimum incomes, the requirement for security of health, food, education, shelter, childcare and old age are prime concerns and should be part of the basic right of the worker.

Claim-makers and duty-bearers

One of the key issues of a rights approach is who are the ‘claim-makers’ and who are the ‘duty-bearers’ against whom the claims are made? For each specific right, the ‘duty-bearers’ that should be addressed by each ‘claim-maker’ need to be identified so that specific policy formulations can be worked out. In the case of informal workers, due to the lack of a clear-cut employer–employee relation it is not so obvious who is responsible for the betterment of the conditions of the workers, and hence identification of the ‘duty-bearers’ is not easy. One method of overcoming this is to identify the main entity or authority responsible for the issues to be negotiated. The ‘duty-bearer’ is thus the institution that exerts one or more form of control over the workers. This could mean that there is more than one ‘duty-bearer’.

Claim-makers

While much of the discussion on specific rights applies to all informal workers irrespective of gender, women are the focus of our attention due to
Rights for Women Informal Workers in Asia

their double burden of work and social reproduction responsibilities. The women workers in the informal economy also mainly belong to the lowest segment in the hierarchy of the labor market. The foreclosure of the matrix of rights detailed here can lead to destitution for much of the informal women workers. For purposes of illustration we focus on four broad segments of the informal economy as ‘claim-makers’.²

- Self-employed: own account/home-based (independent).
- Self-employed: street vendors.
- Dependent producer: outworker/home workers.
- Dependent wageworkers.

Voice and organization

The growth of the informal economy has given rise to what has been called a widening ‘representation gap’ in the world of work (ILO, 2000). Globalization and its impact on workers, increasing inequalities between groups and more flexible workforce has made organization of workers through traditional enterprise-based trade union methods difficult, and to a certain extent irrelevant. Further, women form “the majority of workers in sub-contracted, temporary or casual work, part-time work and informal occupations” and hence “more women than men are in unorganized and unprotected jobs that lack security of tenure” (ILO, 2000, p. 11). Women being responsible for work and social reproduction tend to perpetuate poverty in families. Women workers in the informal economy are often not recognized as workers in terms of labor legislation. This is partly because these workers often do not have a clear employer-employee relationship being engaged in self-employment, homework and street vending. The method of organization and the needs and demands of these workers are therefore very different from the traditional ones.

In this paper we use the term organization in two senses: the broad institutions required for the purpose, such as informal associations and non-government organizations; and the broader task of organization as a quest for legal recognition and right to work for these workers. The need to define ‘duty-bearers’ is particularly acute for these workers, and their ‘demands’ are much wider than mere wage bargaining. What we describe in the following for different segments within the informal workforce includes the various elements of this bargaining process — and it is truly a rights-based approach. A matrix of rights and macro policies addressed to them, for each segment of the informal workers, the claim-makers, is presented in Table 1 and is now discussed in detail. The ‘duty-bearers’ for each right and segment of the informal workers are also identified.

The right to work.

Self-employed: own account/home-based (independent). The right to work for this section is addressed to the governments of the countries, who become the duty-bearers, so that policies that will enhance the chances of
Table 1. Gender-sensitive economic and social policy in a rights framework

<table>
<thead>
<tr>
<th>Workers in the informal economy</th>
<th>Work</th>
<th>Safe work</th>
<th>Minimum income</th>
<th>Social security</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-employed: own account workers/home-based</td>
<td>Credit policy</td>
<td>Occupational and life insurance policy</td>
<td>Child care</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Market/demand policy</td>
<td>Rural/urban infrastructure</td>
<td>Elder care</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Input/output prices</td>
<td>Skill and technology policy</td>
<td>Old age/widow pensions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Alternative trading corporations</td>
<td></td>
<td>Housing policy</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Legal recognition</td>
<td></td>
<td>Social infrastructure</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Trade unions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self-employed: street vendor</td>
<td>Credit policy</td>
<td>Occupational safety Insurance policy</td>
<td>Child care</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Urban infrastructure</td>
<td>Urban policy: space and infrastructure</td>
<td>Elder care</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Urban policy: space</td>
<td>Legal recognition</td>
<td>Old age/widow pensions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Legal recognition: license/identity cards</td>
<td></td>
<td>Health insurance</td>
<td></td>
</tr>
<tr>
<td>Dependent producer: outworker/homeworker</td>
<td>Subcontract agency</td>
<td>Tripartite bodies informal associations</td>
<td>Child care</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Legal recognition</td>
<td>International trade policy</td>
<td>Elder care</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Housing policy organization</td>
<td>Skill development</td>
<td>Old age/widow pensions</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Technology</td>
<td>Health insurance</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Housing policy</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Social infrastructure</td>
<td></td>
</tr>
<tr>
<td>Dependent wage worker</td>
<td>Investment in domestic industry</td>
<td>Legal recognition Occupational safety Insurance policy</td>
<td>Child care</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Industry board organization</td>
<td>Minimum wage (hedging against inflation) Community associations</td>
<td>Elder care</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Minimum days of work</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Paid leave</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Trade unions</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

self-employed production and service activities are improved. Macro-economic policies have an impact on these women workers in the informal sector through aggregate demand for domestic products. Self-employed workers are also indirectly affected by trade liberalization policies if their products are substituted by the imports (negative effects) or their products form part of the export sector (positive effects). Macro policies affect the prices of competing imports or imported raw material, the price of export goods, and determine the scale and pattern of government procurements (e.g. food grains in India).

To encourage small enterprises, a credit policy with differential rates of interest and special financial institutions to cater to these groups is required. The program of rural credit and self-help groups, or micro-finance, will facilitate such economic activities. The micro-finance sector has specially
addressed the needs of women informal workers in South Asia, with the Grameen Bank in Bangladesh and Self Employment Women’s Association (SEWA) in India being the most well-known examples.

Besides credit, another very important and less discussed constraint faced by women self-employed workers is access to markets, or demand for their products. Policies could encourage the setting up of alternative trading corporations to help credit and market access for the scattered rural products of producers of traditional handicrafts and small business products in which a large proportion of women are engaged. Non-governmental organizations (NGOs) and other private organizations could also be the ‘duty-bearers’ to undertake such operations. Such alternative trading institutions could help to secure export markets for the self-employed producers.

Legal recognition of trade associations and of the small enterprises and workers would help in the business process such as access to credit or markets. Legal recognition is also important in the process of negotiations with the concerned authorities. At the micro level, SEWA, India negotiated with government hospitals and prisons to procure fruits, vegetables and eggs and with government offices to contract cleaning services from self-employed enterprises organized into cooperatives (Chen et al., 2001).

Street vendors. A large proportion of the urban workers are on the streets engaged in trading and a multiple of other activities such as informal transport. This presents new challenges in urban policy. The right to work of these workers is affected by the large urban infrastructure projects, such as flyovers and multiplex retail trading outlets that compete for urban space and product markets. The ‘duty-bearers’ are often the municipal corporations and local authorities. A range of urban policies and regulatory controls are possible. At a broad level, land policy and zoning, health standards to be maintained by street food traders, regulating, registering and providing licenses to business. All these become very important for the informal enterprises because they affect the legality of their activities and are a source of harassment by the police, urban authorities and the local hoodlums. Establishment of government and municipal markets would have a positive effect (Chen et al., 2001). The street vendors need working capital to purchase their goods and often have to depend on local moneylenders paying exorbitant interest. Credit institutions and policies to cater to their needs of small loans, on daily basis for perishable goods, would enhance their right to work.

Dependent producer: outworker/home workers. The right to work for outworkers is clearly affected by globalization where there may be an international movement of capital to low-wage sites. A very large segment of the homeworkers and out-sourced workers are women. The ‘duty-bearers’ in this case are the transnational corporations. Besides international subcontracting, a lot of the manufacturing units within the country also engage in subcontracting out to outworkers and homeworkers. Who then constitute the duty bearers? The government of the developing countries also has a
duty towards these workers, and policies that facilitate such activities and protect the workers would enhance their right to work.

In some developed countries, subcontracting agencies keep a record of all subcontracting enterprises, with information of the type of facilities available, skills of workers, and so on. Such a resource base would be useful to allow for the diffusion of this knowledge and facilitate the linkages between the enterprises wanting to subcontract out. Some form of an agency is also necessary to maintain the records of the outworkers and homeworkers, together with information about their skills and equipment available. These agencies also provide a form of legal recognition to these workers, which is necessary to avail of various facilities such as credit.

Development of rural and urban infrastructure with a specific focus on the needs of the self-employed, home-based and homeworkers, including rural roads, telecommunication network, financial institutions, bus and other public transport facilities, for both people and goods, would enhance employment. Since many of these workers are home based, a policy with regard to housing, availability of housing loans for purchase of a new house or upgrading the existing one would facilitate their capacity to get contracts for work. Organization of these workers into representative associations or unions would help in the process of negotiating for better piece-rates and other facilities.

Dependent wageworkers. Policies intended to increase employment, measured in both the quantity and quality of jobs, depend on increased investment in the domestic economy. Trade liberalization and encouragement to foreign direct investment can help increase jobs in the short run, but they could have negative impact through high capital mobility as discussed earlier. Women informal workers are often engaged in the Special Economic Zones with few labor rights. Policies to encourage the domestic industry to grow and encourage traditional activities (e.g. Handicraft Ministries in India) help the informal workers and generate more widespread benefits of growth. Industry Boards devoted to certain traditional industries could help in access to new technologies, skills, credit and markets for the products. Again skill training and use of new technologies have to include women workers if the benefits of such programs are to reach them. This might involve manipulating the gender norms of the society with regard to what work is suitable to women. Organization and representation are important for these workers in order to negotiate with the trade associations or governments for their rights.

The right to safe work.

Self-employed: own account/home-based (independent). The claim makers and duty-bearers of the occupational health and safety in the case of these workers are the same. That is, in the developing country context these workers are responsible for their own health and safety and for that of any employees and family workers employed in their enterprises or homes. This actually amounts to having no rights of safe work. In the context on globalization and privatization of health and insurance, it is possible to argue
that such workers who generate their own incomes should be entitled to life and health insurance facilities at reasonable rates. Sector-specific health and insurance schemes addressed to their work situations would be one issue on which to focus a rights-based formulation. Health needs of the women workers require special attention and health and insurance schemes have to be gender-sensitive to these issues.

**Street vendors.** In urban areas, infrastructure needs of the street vendors such as electric lights, water and sanitation facilities and garbage disposal would also enhance their rights to safe work. Street vendors are faced with specific problems of safety at the place of work, arising out of lack of legal recognition of their economic activity. The ‘duty-bearers’, local governments, could issue license to conduct business, identity cards and also provide specific locations to conduct such activities. Health and insurance policies are also prime needs of these workers.

**Dependent producer: outworker/home workers.** In the context of globalization, the duty-bearers of the right to safe work of the outworkers and homeworkers should be the transnational corporations whose products are manufactured by these workers. Product labeling and codes of conduct for transnational corporations are favored strategies. The impact of such movements on the right to work and living standards of workers in the developing country are, however, debated (Lee, 1997; Basu, 1999).

Workers in outsourced sweatshops and homeworkers are disproportionately women, and the issues regarding long hours of work, night work and health and sanitation needs of these workers require special consideration. Often there is a long chain of subcontractors between the corporations and the ultimate worker. Increasingly, trade unions and federations of homeworkers are trying to place the responsibility for occupational health and safety on these final employers. Legal recognition of these workers is crucial to ensure their inclusion in any scheme for health and other benefits. At the national level, tripartite bodies with representation of workers, employees and governments would help to implement safe work conditions for these workers.

**Dependent wageworkers.** For this segment of informal workers the duty-bearer is clearly the employer, and in most cases one or multiple employers can be identified. However, fixing the responsibility of occupational health and safety on them is difficult in the developing country context. Legal rights of workers and legal recognition of their status as employees have to be first guaranteed. The legal framework and a rights-based approach to this issue may bear fruit overtime, with informal associations of workers, NGOs and legal activists playing a role.

**The right to minimum income.** The notion of Social Income (SI) is extremely helpful in breaking the restricted concept of income as only what comes in the form of a wage, either through self-employment, or through a
form of employment in which there is a clear employer-employee relationship. Five possible sources of income act as elements of the more comprehensive abstract concept, SI, the individual’s social income:

$$SI = W + CB + EB + SB + PB$$

where W is the money wage; CB is the value of benefits or support provided by the family, kin or the local community; EB is the amount of benefits provided by the enterprise in which the person is working; SB is the value of state benefits provided, in terms of insurance or other transfers, including subsidies paid directly or through firms; and PB is private income benefits, gained though investment, including private social protection (Standing, 1999b, p. 80). The right to minimum income would include the elements of W and EB, while the right to social security would include the benefits accruing from community (CB), state (SB) and the private sector (PB).

**Self employed: own account/home-based (independent).** The wage W may be thought of more generally as ‘earnings’ or ‘profits’, as the word ‘wage’ is so closely related to the idea of ‘employment by someone else’. Income insecurity is characteristic of the lives of all informal workers, including those who are highly skilled and well paid. The level of income is determined by the productivity of work, which itself is based on the production technology and skills available to the entrepreneur. The average value of fixed capital used by the informal self-employed worker is often very low, indicating a low level and quality of capital equipment and, consequently, low productivity of the employment.

For many informal workers, this W may come from more than one source (for people working in more than one job) and it may be a variable and erratic amount. In the informal economy, where women tend to be engaged in low-skilled work, they will have a smaller W than men. The gender analytic framework discussed earlier also raised the issue of who has control over the money income earned by the women. The variability of income is a major source of insecurity, particularly for those operating at low levels of capital and, consequently, incomes. That is, besides a low value of W, variability of it is a major issue for informal producers and service workers. Here again women may be engaged in activities that are more seasonal leading to greater fluctuations in income. Macro policy to focus on this has to address issues of productivity, technology and skills of these enterprises and workers. Development of rural and urban infrastructure such as electricity at reasonable rates and transport facilities would enhance the income security of these workers.

**Street vendors.** The minimum incomes of informal traders on the street are affected by the kind of urban policies suggested for the right to work. The major challenge is to devise a workable environment where these workers can trade in peace on the streets in order to guarantee minimum incomes. The local governments are the ‘duty-bearers’.
Dependent producers: homeworkers and outworkers. The wage $W$, or income, of dependent producers is also affected by variability of income and irregularity in business. In India, for example, the domestic garment industry is buoyant during the festival seasons and depressed otherwise. The dependent producers in global value chains such as the garment workers producing for top retailers in the United States or the United Kingdom are affected by fluctuating international fashions and business cycles. Homeworkers in the global garment chain in Thailand were severely affected by the financial crash of 1997 (Homenet Thailand and ILO, 2002). The 'duty-bearer', the governments of developing countries, could regulate the flow of international capital to secure the rights of such workers. Access to new skills and technology is necessary to enhance their capacity to earn and improve their incomes and also to move to other economic activities in case of loss of current work.

Dependent wageworkers. The main insecurities faced by wage-workers, either casual or working for unregistered enterprises, is often the low level of absolute wages. They face fluctuations in their incomes due to lack of employment or underemployment, dependent on the vagaries of the sector and the local market conditions. In some subsectors in India these activities are covered under the Minimum Wages Act, but the workers are rarely paid the stipulated wages. This alone does not ensure minimum incomes unless a minimum number of days of employment are also stipulated. Trade unions of informal workers are crucial to improve the bargaining power for wage and income negotiations.

In countries with good social security coverage, those in formal employment typically get access to a variety of social benefits through the workplace — occupation-related benefits (EB). Sometimes called 'the social wage', and usually covered by labor standards legislation, the package would typically cover paid holiday, sick leave, maternity (and paternity) benefits, workers compensation, and a pension fund. A broader package could include housing loan, loans for children's education, and subsidized purchase of vehicles. SEWA, India provides an example of poor people building their own financial and insurance institutions. Vimo SEWA is a scheme of integrated insurance for SEWA members, which links insurance with savings and a trade union approach. It includes health and death insurance and maternity benefits, and can cover the worker's husband and children depending on the scheme she opts for (Sinha, 2003).

Very few informal workers have any access to EB, or enterprise benefits. Some may get 'holidays' in the sense of quiet times, on say public holidays (where informal trade and activity depends on formal economic activities, and these close down). Those employed by others may operate under informal rules that allow time off work, for sickness or for maternity, without being penalized. However, the time off would translate into foregone income.

Informal agreements and exchanges also operate in the sphere of domestic work, where workers may get from their employers such things as second-hand clothing, hand-me-down school books, assistance with trans-
port, and help with medicines. Informal agricultural work may also come with some benefits, such as a piece of land to grow own crops or to graze one's own stock, or getting allocations of the harvest. However, this EB is not reliable; workers cannot plan around it. In both domestic and agricultural employment, people are locked into subordinate and feudal type of relationships, which are by definition insecure (Lund and Unni, 2002).

The right to social security: The first cut in the event of liberalization has traditionally been in the social sectors of health and education. These also include the social reproduction policies such as childcare, health insurance, old age pensions, elder care and primary schooling. A strong gender focus on development and public awareness of the ill-effects of such cuts are likely to put pressure on the governments to re-consider such cuts. Women would especially benefit from social infrastructures such as sources of drinking water, schooling facilities and health facilities.

The components of social income that can be considered part of right to social security are community benefits (CB), state benefits (SB) and private benefits (PB). As regards CB — the benefits coming from family, kin, or community — we know that in poorer families and in poorer communities, the material value of CB is low. The W income from informal work may be the main source of financial support. Unpaid caring work is more often done by women. One component of the CB is the benefits and support from ‘the local community’. Who do we mean by ‘the local community’? More time is spent on this ‘community input’ by women than by men. For ‘social capital’ to be effective, it requires that people expend time and costs on building ‘it’. For a woman working informally, she is likely to expend time and costs on this CB both inside and outside her household (Lund and Unni, 2002).

In the rights-based framework, women informal workers are the claim-makers for this community benefit (CB). At the same time it is the woman’s input in terms of time and physical energy that goes into the building of this community benefit. To that extent, the woman becomes the duty-bearer as well. In some sense this is social capital, and there is a tendency in the neo-liberal thinking to be gender-blind to this notion. Standing (1999b) sees one path to greater income security through greater reliance on strengthening civil society organizations. Participatory models of community organizations need to be evolved, with the support of the government and NGOs, which include women informal workers as partners if her right as a claim-maker is to be met. While this may seem a feasible strategy, it may merit mainly people who have built up firm economic and social assets, the wealthy, and it would be a policy route full of risk for the already poor and particularly women in Asia who have less voice in society and, consequently, in civil society organizations.

With regard to state benefits (SB) there has been a withdrawal in both developed and developing countries, from state social provision. We discussed earlier, as a part of the right to work, how strong state support is important not just in direct provision, but also by regulating the way in which the market operates — by regulating minimum levels of savings for
cooperatives to function (which can be a barrier to formation of cooperatives by poorer workers), for example, or by regulating financial institutions. Where government takes a hands-off stance, the market and private institutions will not usually operate in a pro-poor direction. A rights-based approach to force the state to perform this duty is necessary in the current context of withdrawal of the state.

With regard to access to schemes of private protection, or PB, the working poor will not usually be able to make contributions to private schemes of social protection. Some are so poor that they are not able to save; others may want to and be able to save, but there are no appropriate and affordable institutions through which to do so. However, the responsibility to protect this right should be harnessed to visualize a social insurance program through the private sector that is inclusive of poor working and non-working women. The duty-bearers are partly the NGOs and other actors in civil society.

**Conclusion**

A rights-based approach is useful in putting pressure on national governments to take a stand in favor of the poor and informal workers. The rights framework gives an overarching claim to what can be considered basic and universal human rights. It can be used to claim a voice in the macro-policy-making dialog. The demand has to be inclusion of women and the representatives of informal workers in the political process and in discussions on the macro policy agenda. Participation of the civil society institutions, NGOs and trade unions can help to build up momentum towards social dialog, a first step in this process. A method of assessing the government budget, called social-audit or people-centered budget, can be a useful tool to assess the differential impact on formal/informal, men/women and rich/poor. This form of rights-based approach has been used in the Australian and South Africa gender budget audit (Budlender, 2000).

In this paper we discussed the process of globalization leading to increasing insecurities for workers in Asia. We used a gender analytic framework that specifically recognizes that women informal workers are doubly burdened by their informality in work relationships and by being the ‘economic and social provisioners of the last resort’. The impact of globalization on the North countries had led to the formulation of core labor standards. We argue that the formulation of core labor standards of the ILO does not address the impact of globalization and insecurities among informal workers in Asia.

We define a matrix of rights consisting of the right to work, broadly defined, safe work, minimum income and social security as core rights for informal workers. Further, we focus attention on four specific groups of informal workers, self-employed independent producers and service workers, self-employed street vendors, dependent producers such as homeworkers and outworkers, and dependent wageworkers, who form the bottom of the labor market hierarchy. The impact of globalization and national trade
liberalization policies on the women informal workers are shown to be particularly harsh. In this context the specific rights or 'demands' of these women workers are articulated. Gender-sensitive micro-economic and macro-economic policies and social policies addressed to each specific right and for each of the four segments of the informal workers are spelled out.

The rights-based approach focuses attention on the claims of women informal workers, generally excluded groups, in the macro-economic and social policies. In order for this approach to produce the desired results an institutional framework has to be set-up that will ensure voice and representation for women and informal workers in the social dialog of development. Each of the needs of the workers has to be viewed as a right, and a system of institutions or mechanisms to help bring these rights to the center of policy have to be worked out. The access to economic/market and social reproduction needs are to be addressed simultaneously to ensure the basic matrix of rights for women informal workers. A rights-based formulation requires voice and representation of workers in the informal economy through their organizations in all institutions where decisions are made that affect their rights to work, safe work, minimum income and social security. The claim for a voice in the macro policy decisions through representation at the local, national and international levels is at the heart of the rights-based approach.

Acknowledgements

An early draft of this paper was prepared while the author was a Fellow at the International Center for Research on Women (ICRW), Washington, DC, USA, during the period April–June 2002. Discussions with Nata Duvvury, Richard Strickland, Caren Grown, Simel Esim and Chhaya Kunwar helped shape the arguments in the paper. Discussions with participants at the seminar at ICRW helped clarify arguments. Nata Duvvury, Stephanie Seguino, Joann Vanek and Uma Rani painstakingly went through earlier drafts of the paper and provided incisive comments. Comments from an anonymous referee of the journal are highly appreciated. The author is grateful to all of them and to the staff of ICRW for making her stay comfortable and academically fruitful. The author also thanks the Ford Foundation and the Gujarat Institute of Development Research, Ahmedabad for financial and institutional support.

Notes

1 For an interesting view on the impact of imposition of the ban on child labor on the carpet weaving industry in India, see Tully (2002, pp. 30–60).

2 A detailed classification of the workers in the informal economy is available in Chaterjee et al. (2002), and estimates of informal workers in developed and developing countries is available in ILO (2002).
Rights for Women Informal Workers in Asia

References


