



# **Informal Labor, Formal Politics, and Dignified Discontent in India**

**Rina Agarwala**

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RINA AGARWALA

*Johns Hopkins University*



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## **Informal Labor, Formal Politics, and Dignified Discontent in India**

Since the 1980s, the world's governments have decreased state welfare and increased the number of unprotected "informal" or "precarious" workers. As a result, more and more workers do not receive secure wages or benefits from either employers or the state. What are these workers doing to improve their livelihoods? *Informal Labor, Formal Politics, and Dignified Discontent in India* offers a fresh and provocative look into the alternative social movements informal workers in India are launching. It also offers a unique analysis of the conditions under which these movements succeed or fail. Drawing from 300 interviews with informal workers, government officials, and union leaders, Rina Agarwala argues that Indian informal workers are using their power as voters to demand welfare benefits (such as education, housing, and healthcare) from the state, rather than demanding traditional work benefits (such as minimum wages and job security) from employers. In addition, they are organizing at the neighborhood level, rather than on the shop floor, and appealing to "citizenship," rather than labor rights. Agarwala concludes that movements are most successful when operating under parties that compete for mass votes and support economic liberalization (even populist parties) and are least successful when operating under non-competitive electoral contexts (even those tied to communist parties).

Rina Agarwala is an assistant professor of sociology at Johns Hopkins University. She holds a BA in economics and government from Cornell University, an MPP in political and economic development from the Harvard Kennedy School of Government, and a PhD in sociology from Princeton University. Agarwala is the co-editor of *Whatever Happened to Class? Reflections from South Asia* (2008). She has published articles on informal work and gender in *International Labor Journal*, *Political Science*, *Research in the Sociology of Work*, *Theory and Society*, *Annals of the American Academy of Political and Social Science*, *Critical Asian Studies*, *Social Forces*, and *Indian Journal of Labour Economics*. She has worked on international development and gender issues at the United Nations Development Program in China, the Self-Employed Women's Association in India, and Women's World Banking in New York.

“The global rise of neoliberalism, and its increasing strength, means that whether in India or the United States, labor must develop new strategies and forms and organize new constituencies or be increasingly marginalized. As Agarwala brilliantly shows, neoliberalism weakens traditional union forms, increases the importance of informal labor, and – most importantly – creates possibilities for informal workers to act through new organizational forms that pressure the state.”

– Dan Clawson, University of Massachusetts, Amherst

“This is a powerful and measured analysis of how India’s informal working class makes effective citizenship claims to the state. Dispelling the myth of an inevitable decline of the labor movement in an age of alleged neo-liberalization, this fascinating India story offers an indispensable beacon of hope for working people worldwide.”

– Ching Kwan Lee, University of California, Los Angeles

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*For Carsten*

## Acknowledgments

Nearly twenty years ago, I arrived on the front door of a women's organization in India, eager to begin my internship and oblivious to the journey I was about to begin. As I entered the office, a tall woman from Kutch stared at me with a perplexed expression. "Have you come for the march for rag pickers?" she asked. In response to my blank stare, she squatted next to me to explain the march and other activities of the trade union for informal women workers that I had unknowingly come to work for. The lesson continued for the next year and a half, where the members and staff of the Self-Employed Women's Association (SEWA) patiently introduced me to the informal workers I had seen but never noticed, challenged me to think beyond the development models I had so diligently learned, and inspired me to realize the voices that women workers were asserting every day. I thank SEWA, and especially Elaben, Reemaben, and Ushaben, for changing my worldview forever.

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## Abbreviations

ADMK	All India Anna Dravida Munnetra Kazhagam
AITUC	All-India Trade Union Congress (CPI-affiliated)
BJP	Bharatiya Janata Party
CII	Confederation of Indian Industry
CITU	Congress of Indian Trade Unions (CPM-affiliated)
CPI	Communist Party of India
CPI(ML)	Communist Party of India (Marxist-Leninist)
CPM	Communist Party of India (Marxist)
CSW	College of Social Work
DK	Dravidar Kazhagam
DMK	Dravida Munnetra Kazhagam
GDP	gross domestic product
GOI	Government of India
ICLS	International Conference of Labor Statisticians
ILO	International Labour Organisation
ILP	Independent Labor Party
INC	Indian National Congress Party
INTUC	Indian National Trade Union Congress (Congress-affiliated)
KMC	Kolkata Municipal Corporation
LPF	Labour Progressive Federation (DMK-affiliated)
MLA	Member of Legislative Assembly (state government)
MP	Member of Parliament (national government)
NCP	National Congress Party
NMPS	Nirman Mazdoor Panchayat Sangam
NSS	National Sample Survey on Employment and Unemployment

NSSO	National Sample Survey Organisation
OBC	Other Backward Caste
PWP	Peasants Workers Party
RPI	Republican Party of India
SDP	state domestic product
SEWA	Self-Employed Women's Association
TMC	All India Trinamool Congress
TMKTPS	Tamil Maanila Kattida Thozilalar Panchayat Sangham
UF	United Front
WBIDC	West Bengal Industrial Development Corporation

# Contents

<i>List of Tables</i>	<i>page</i> xi
<i>List of Figures</i>	xiii
<i>Acknowledgments</i>	xv
<i>Abbreviations</i>	xix
1 Introduction: Informal Labor and Formal Politics	I
1.1 <i>Informal Labor Organizes in Unique Classes</i>	7
1.2 <i>Informal Labor Organizes Even Under Neoliberalism</i>	17
1.3 <i>States Condition Informal Labor Movement Effectiveness</i>	23
1.4 <i>Informal Labor Movements Dignify Workers' Discontent</i>	30
2 Struggling with Informality	32
2.1 <i>Building a New Class Struggle</i>	34
2.2 <i>Creating a New Class Identity</i>	58
2.3 <i>Conclusions</i>	68
3 The Success of Competitive Populism	70
3.1 <i>Tamil Nadu: Substantial State Benefits for Informal Labor</i>	73
3.2 <i>Populism: A Surviving Phenomenon</i>	79
3.3 <i>Caste and Ethnic Nationalism Overlooks Informal Labor</i> (1800–1977)	82
3.4 <i>New Shades of Populism Protect Informal Labor</i> (1977–Present)	91
3.5 <i>Project from Below: Framing Informal Labor as</i> “Common” Voters	96
3.6 <i>Project from Above: Capitalizing on Informal Labor</i> Support	109

4	Communism's Resistance to Change	117
4.1	<i>West Bengal: Few to Some State Benefits for Informal Labor</i>	118
4.2	<i>Communism: A Radical Class Agenda for Social Justice</i>	125
4.3	<i>Project from Above: Entrenching Power</i>	129
4.4	<i>Project from Below: Failing to Fit into State Interests</i>	138
4.5	<i>Shifting Politics: A Shift for Informal Labor</i>	148
4.6	<i>Conclusions</i>	153
5	The Minimal Gains of Accommodation	156
5.1	<i>Maharashtra: Some State Benefits for Informal Labor</i>	157
5.2	<i>Dominant Caste Power</i>	161
5.3	<i>Project from Above: Ensuring Economic Growth through Informal Labor</i>	170
5.4	<i>Project from Below: Finding a Political Voice in the Economic Agenda</i>	176
5.5	<i>Conclusions</i>	187
	Conclusion: Dignifying Discontent	189
	<i>Appendix I: Photos of Informal Workers in Construction and Bidi</i>	207
	<i>Appendix II: The Evolution of the Count of Informal Workers</i>	215
	<i>Appendix III: Interview Methodology</i>	221
	<i>References</i>	225
	<i>Index</i>	241

## List of Tables

1. Informal Labor and Class Structure in India	<i>page</i> 11
2. Construction and Tobacco in India	14
3. Socioeconomic Characteristics in Three States	28
4. Construction Workers Welfare Board	52
5. Bidi Welfare Fund Financial Profile	54
6. Bidi Workers Welfare Board	55
7. Material Benefits (Worker vs. Welfare)	71
8. Type of Benefit Received by City/State	71
9. Official and Reported Wage by State and Industry (Rs.)	74
10. Welfare Benefits from Tamil Nadu Construction Board (1995–2008)	77
11. Gains for Informal Workers in Tamil Nadu	83
12. Informal vs. Formal Workers in India	218
13. Indian Labor Force	219
14. National Sample vs. Study Sample by Industry	222

## List of Figures

1. State theoretical framework	<i>page</i> 25
2. Evolution of the construction movement	35
3. Evolution of the bidi movement	36
4. Number of disputes in bidi, construction, and all industries	42
5. Reformulated model of state-labor relations	58



## Introduction

### *Informal Labor and Formal Politics*

“Listen sister, we are just poor folks who work to put bread in our stomachs. We can’t do anything else. If we ask for more, we lose our jobs. If we lose our jobs, we will die,” explained Basama, an unskilled construction worker in Mumbai, India.<sup>1</sup> Basama’s statement reflects a sentiment of vulnerability often heard among poor, informal workers in India. Informal workers produce legal goods and services but engage in operations that are not legally registered. Therefore, unlike formal workers, informal workers are not officially recognized by their employers, and they are not regulated or protected by fiscal, health, and labor laws.<sup>2</sup> Although some work at home or in unregistered subcontractors’ workshops, others operate openly on the employers’ site or in a public space (such as the street). As a result of receiving decreased protection, informal workers usually work in harsh conditions, with low levels of technology and capital, and no labor rights.

In most developing countries, informal labor – labor that is not formally protected – represents the majority of the labor force. In India, informal workers comprise 93 percent of the labor force or 82 percent

<sup>1</sup> Interview, August 21, 2003.

<sup>2</sup> In recent years, these workers have been variously called “informal,” “precarious,” “casual,” “nonstandard,” “Post-Fordist,” and “flexible.” I use the term “informal” throughout the book. This definition of informal workers was first offered by Portes et al. (1989). It has been accepted in much of the literature on informal work; see Cross (1998), De Soto (1989), and Portes (1994). To operationalize this definition, I use the worker-based definition of informal work that was endorsed by the 17th International Conference of Labor Statisticians (ICLS) in 2003 and used by the National Sample Survey of Employment and Unemployment (NSS) in India in 1999–2000.