

Informality as *THE* Way Of Urban Life: Perspectives from the Urban Informal Workforce

**Marty Chen's presentation to the Informality as a Way of Life:
Challenges to Sustainable Urban Development
(University of Pennsylvania Round-table)
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Good afternoon. It is a great pleasure to be asked to speak to you today about cities and urban informal livelihoods. Thanks to Genie Birch and the other organizers for inviting me to speak today. Genie and I first met during the campaign for SDG 11 and, again, at the Habitat III summit – so it's good to be at her academic institution which also happens to be where I received my PhD in South Asian Studies many years ago.

I have entitled my remarks “Informality as *The* Way of Urban Life: Perspectives from the Urban Informal Workforce”. To set the scene, I will share some recent data and reflect on the dominant narratives about cities and the informal economy. I will then describe WIEGO's work with organizations of urban informal workers and share some victories and set-backs in different cities. I will conclude with reflections on what I see as the *real* challenge of urban informality and the way forward.

I wish to convey three key messages:

1 – The urban poor build informal settlements and pursue informal livelihoods wherever they can find space – preferable in central locations – in an effort to survive.

2 – To reduce urban poverty and inequality, cities need to work for the poor, not just the rich; more specifically, they need to support, not penalize, the informal settlements and livelihoods of the urban poor – rather than bend urban rules and regulations to privilege the rich and powerful.

3- Organizations of the urban poor need collective representative voice in urban governance – a seat at the rule-setting and policy-making table.

In today's globalized and urbanizing world, informality the dominant way of urban life with both old and new guises – especially in terms of employment and especially in the global South.

Informal settlements and informal livelihoods are the main faces of urban informality:

- 13% of all *persons* globally – 1 billion people – live in slums or informal settlements
- 61% of all *workers* globally – 2 billion people – work in the informal economy

If we consider only the *urban population in developing countries*, the significance of informal settlements and informal livelihoods is even greater

- 30% of the *urban population in developing countries* live in slums (UN 2014).
- 79% of the *urban workforce in developing countries* are informally employed (ILO 2018).

Many informal workers live in slums and some also work in slums. Many slum dwellers earn their livelihood in the informal economy. Despite the interlinkages between these two faces of urban informality, they tend to be treated separately – in disciplinary silos: both academic silos and also silos of policy and practice.

There are two global social movements of organizations of the urban poor – Slum Shack Dwellers International and WIEGO – both are 20 years old, both are now global in scope and both seek to strengthen organizations of the urban poor and empower them to demand access to public space and services and changes in urban policies, laws and regulations.

While SDI promotes the inclusion of slum dwellers and their homes into the plans and life of the city, WIEGO promotes the inclusion of informal workers and their livelihood activities into the plans and life of the city. During the preparatory process for Habitat III, these two global movements joined hands – as co-chairs of the Grassroots Constituency Group of the General Assembly of Partners – and continue to find ways to work together.

Both SDI and WIEGO seek to challenge and seize the dominant narrative about modern cities.

As we all know, cities around the world are growing and fast changing. Many of them seek to modernize – to become Smart Cities or World Class Cities. But in their efforts to modernize and become smart or world class, cities often destroy the housing and livelihoods of the urban poor.

WIEGO also seeks to challenge the dominant narratives about the informal economy: that stigmatize informal workers as avoiding regulations and taxes, as operating illegally, or being non-productive. But most informal workers are trying to earn an honest living in a hostile legal and policy environment and are willing to pay taxes, comply with fair and appropriate regulations – if they receive benefits in return, including policies and schemes to raise their productivity.

The dominant narratives also suggest that the informal economy remains outside the reach of the state, but the ground reality is that informal workers and operators are often inside the *punitive* arm of the state. What they want are *enabling and protective* laws and regulations and the benefits that come with registering their enterprises and paying taxes.

This needs to change – to reverse – the dominant narratives about the informal economy is what motivated the founders of WIEGO, founded 22 years ago in April 1997, WIEGO ...

part think tank, part social movement

goals: 3 Vs (voice, visibility and validity) ► changes in mindsets + laws/policies/institutions

4 sectors: domestic workers + home-based workers + street vendors + waste pickers

network of networks in 4 sectors: 1000 affiliates in 90 countries with 5 million members

membership-based organization: 3 constituencies

5 core programs (includ. UPP) + 3 cross-cutting functions: comms + research + policy analysis/advocacy

known for bridging ground realities of the WP in the IE and mainstream academic & policy discourse

Global Victories:

2 ILO conventions for informal workers: C177 (1986) and C189 (2011)

ILO Recommendation 204 on Formalization: key provisions to recognize and protect the livelihoods of informal workers, including the right to regulated access to public space for livelihood activities

New Urban Agenda – multiple mentions of informal employment and of the need to recognize *the contribution of the working poor in the informal economy and to protect and improve their livelihoods by integrating them into city plans*

Victories at City Level: working with local MBOs of informal workers to create platforms for solidarity between Informal workers and for policy dialogue/negotiations with city officials and other dominant stakeholders = build capacity for org. of Informal workers to negotiate effectively + generate the evidence needed for effective negotiations

Accra, Ghana – 4 groups of Informal workers: head porters, market traders, street vendors and waste pickers

- Informal market traders - improved working conditions in built markets: fire extinguishers, waste collection, clearing of clogged drains
- head porters (kayayei): lifting of a punitive daily toll + registration in the National Health Insurance Authority

Bangkok, Thailand: HNT - 4 groups of Informal workers: home-based workers + domestic workers, street vendors, motor cycle taxi drivers

- Campaign against evictions of street vendors by military government since 2014 + formation of Network of Thai Vendors for Sustainable Development, representing over 6,000 vendors across 21 districts of metropolitan Bangkok (Sarah Reed can provide an update on this on-going negotiations between street vendors and the government).

Bogota and 15 other cities in Colombia: ARB - integration of waste pickers in SWM and payment of WPs for their collection and recycling services – recognizing them as environmental agents.

Dakar/Senegal: WIEGO FC - street vendors, laundresses and waste pickers

- Street vendors: support to organizations of street vendors to defend their right to public space
- waste pickers: work with association of waste pickers at a large dump which is to be closed and replaced by a sanitary land fill – to ensure waste pickers are included in the process of restructuring the dump – just held a workshop in Dakar

Later this week, WIEGO is convening a three-day Exposure Dialogue designed to foster greater understanding among lawyers and public officials of how laws and regulatory frameworks shape and constrain informal workers' livelihoods. For two nights and days, lawyers and public officials, together with WIEGO team members, will live and work alongside informal street vendors and waste pickers and then reflect on the experience with their hosts and discuss how to create an enabling environment for informal workers.

Delhi, India: in collaboration with other local organizations

- street vendors: training members of the newly-elected Town Vending Committees mandated by the Street Vendors Act of 2014
- waste pickers, created a platform for waste picker organizations to promote implementation of the national Solid Waste Management Rules (2016) which mandate inclusion of waste-pickers in the waste management systems of the city.

For the past year, co-convened a process of building an alliance of 40 organizations to re-envision the next Delhi Master plan as a people's plan – to define the right to livelihood and to housing

Lima, Peru: domestic workers, home-based workers, market porters, market traders, newspaper vendors, street vendors, waste pickers

- supported participatory consultation process between more than 150 street vendor organizations and the municipality leading to the resulting Metropolitan Lima Ordinance No. 1787, passed in 2014, provided a regulatory framework that promoted gradual formalization, including by providing licenses for two years and then eventual relocation to fixed market areas.

Mexico City – WIEGO FC: domestic workers, home-based workers, shoe-shine vendors, street vendors, waste pickers

- new Mexico City constitution explicitly mentions the concept of the “right to the city;” underscores the importance of preventing privatization of public space; promotes the participation of street vendors in the establishment of designated vending zones
- series of consultations leading to a platform of demands, linking each demand to an article in the Constitution, presented at a public dialogue in March 2018

However, competing interests around the right to public space in Mexico City - including a strong, middle-class urban mobility movement whose agenda, to increase bicycle lanes, is largely in conflict with that of informal workers. In May 2018, WIEGO organized a dialogue between activists from the mobility movement and informal worker representatives from occupational groups that work in public space, where they reached agreement on a preliminary set of shared priorities for the management of public space in the city.

But achieving these victories is only the first step – they need to be implemented. And there is always a risk of backlash or that the victories will be reversed.

Consider the case of Lima, Peru. Since a new government took office in January, street vendors in many parts of the city have been under threat. In early April, WIEGO colleagues organized a march of nearly 2,000 vendors to Congress and the Metropolitan Lima City Government and held a Press Conference featuring a data on and declarations by street vendors. It is not clear how this current drive to evict street vendors will end.

Consider the case of Bogota, Colombia. Since the current government of Colombia was elected in mid-2018, there has been serious backlash against the waste pickers. The leaders of ARB have been threatened at knife point and beaten in their office – and their children were

threatened at gunpoint while playing soccer. A week ago, WIEGO's Waste Picker specialist in Bogota and the leaders of ARB filed a joint plea for protection to the Constitutional Court.

While victories in specific cities can be undermined over time, as municipal governments change staff or change their stance on urban informal economy, the victories can also spread to other cities: Consider an example from the USA.

After a decade of struggles and advocacy by street vendors, the Los Angeles City Council, decided to decriminalize street vending in early 2017 and then to legalize street vending in late 2018. Also in late 2018, Jerry Brown, the Governor of California, introduced a state-wide law, the Safe Sidewalk Vending Act, which bans criminal penalties for sidewalk vending and encourages cities to establish permit programs for vendors.

So the day before a recent street vendor hearing at City Hall in New York City, the SV Project organized a panel featuring a council member and worker leaders from Los Angeles involved in the campaign to legalize vending. (After I finish my remarks, I will ask Sarah Reed, my WIEGO colleague who works part-time with the SV Project, to bring us up to date on where things stand with the SV bill being discussed in New York)

CLOSING REFLECTIONS

Most observers view urban informality as a *challenge* – a problem. But how we address the challenge depends on how we understand and frame the challenge. We need to ask a set of questions. What aspect or dimension of urban informality is a challenge, to whom and in what ways? To the urban rich and elite, the general public, the city government, the urban economy – or to the urban poor? Does urban informality challenge their way of life, their neighborhoods, their profits, their vision of a modern city?

For the urban poor, the biggest challenge is the city – its rules and regulations, its officials – who determine who can do what and where, who can live where.

This brings me to another dimension of urban informality that we don't talk enough about. This is *urban informality at the top* – the collusion of city governments with big business, mainly real estate developers: to identify or create loopholes in existing rules and regulations to serve the interests of the rich and powerful.

From the perspective of the urban poor, THIS COLLUSION is THE URBAN CHALLENGE. Why, they ask, are the attempts by the urban poor to secure housing and livelihoods viewed as illegal or criminal while the attempts by the urban rich and powerful to protect their elite neighborhoods – their gilded towers – and to generate ever greater profits get rewarded?

Informality from above is associated with the state: specifically, the ways in which city governments set the rules of the urban game but also, often in collusion with big business (notably real estate developers), promotes deregulation or legal ambiguity and make exceptions to their own rules. While informality from below is associated with the strategies of the urban poor for dealing with the uncertainties of the policies, rules and practices of cities. The urban poor create informal settlements by occupying private land or public space at a particular point in time, or incrementally over time, with the hope of permanent occupation. And they pursue their livelihoods by appropriating available space and resources, often on a

daily basis. I have characterized informality at the bottom as “operating in gaps” and informality at the top as “bending rules”.

In her study of planning in Indian cities, the urban theorist Ananya Roy contrasts the collusion of city governments with housing authorities and real estate developers in the appropriation of public land for private housing (“elite informality”) with the criminalization by city governments of the appropriation of public land by the urban poor for their settlements (“subaltern informality”). As Roy concludes: “The planning and legal apparatus of the state has the power to determine... what is informal and what is not, and to determine which forms of informality will thrive and which will disappear....to construct and reconstruct categories of legitimacy and illegitimacy” (Roy 2005).

I would like to conclude with a call to action. We need to come together to address the real challenge of urban informality: the *clash* between informality of the elite and informality of the poor and the tendency of cities to privilege the rich and powerful to the detriment of the poor and powerless. We need to see cities as sites of contestation between the poor and the rich for public space, public services, public procurement – and for public recognition. And we need to hold cities accountable to being inclusive cities for all – with a mandate to balance and negotiate competing urban interests – rather than privileging the powerful and penalizing the powerless.

This will require forming alliances and coalitions across the disciplinary silos of urban academics and practitioners. This will require an *inter-disciplinary approach* to urban informality which highlights the *intersection* of informal settlements, informal livelihoods, urban poverty and inequality, race/ethnicity and gender. It will require redressing the *social and economic injustice* of privileging urban informality at the top and penalizing urban informality at the bottom.

Most importantly, this will require that organizations of the urban poor are represented in urban governance – are invited to have a seat at the table in urban rule-setting and policy-making processes. For two decades, SDI and WIEGO have worked to promote the collective representative voice of slum dwellers and informal workers.

Let me conclude with two guiding principles for our work to make cities more inclusive.

- **Leave no one behind (the motto of the UN 2030 agenda)**
- **Nothing for us, without us! (the motto of StreetNet International and a global movement of informal workers)**

Thank you!