

# Cooperatives for Informal Workers' Rights and Sustainable Livelihoods!

**Around the world, informal workers are forming cooperatives, pooling their energy, ideas and resources to gain mutual economic, political and social benefits. WIEGO supports this work through action-research projects, capacity-building among organizations, facilitating networking and solidarity, and supportive advocacy on both the regional and global stage.**

WIEGO is an action-policy-research network that focuses on the economic empowerment of the working poor, especially women, in the informal economy. WIEGO believes all workers should have economic opportunities and equal rights, and be able to determine the conditions of their work and lives. Key to this is strong, democratic organization, through which informal workers can gain representative voice at local, national and international levels.

Informal workers are everywhere: waste pickers and street vendors, garment workers and basket weavers, taxi drivers and smallholder farmers. They might be wage workers in unprotected jobs or self-employed individuals working alone, with family or in a collective.

No matter where they live or which sector they work in, informal workers are an integral part of the economy—locally and globally. They have long been overlooked as economic agents, but now around the world, informal workers are fighting for recognition.

WIEGO's work with cooperatives has helped us understand that the working poor who organize are better able to advocate for their rights and to seize opportunities in today's global economy.

We continue to explore these important areas, while working in partnership with cooperatives and other organizations to help them gain economic, political and social strength.

## About Informal Workers

Our research has found:

- \* Informal work accounts for more than half of non-agricultural employment in most developing regions—and as much as 82 per cent in South Asia. The proportion would be even higher if data on informal employment in agriculture were included in these estimates.

- \* Women are over-represented in the informal economy, particularly in activities with the lowest returns and highest risks.

- \* Urban informal workers are playing an important role in climate change mitigation and usually leave a smaller carbon footprint than their formal counterparts.

- \* Membership-based organizations (MBOs) such as cooperatives leverage significant financial resources for their members.

- \* In a recent survey, 92% of MBO members said membership led to higher earnings.



Cooperatives offer training and skills development. Photo: Machakos Co-operative Union.

## Cooperatives for Informal Workers' Rights and Sustainable Livelihoods!

Cooperatives create jobs and help improve livelihoods. But cooperatives are more than economic entities; they are an essential part of an alternative economy in which strength lies in social solidarity. Cooperatives allow workers to raise their voices together in the fight for recognition, political power and social protection. Just as pooled resources can achieve better economic outcomes and offer more stable livelihoods for informal workers, united voices can create political change and improve social standing.

**WIEGO supports informal workers' cooperatives in their struggle for a better life.**

## Diverse Forms

Informal workers' cooperatives come in many forms: registered cooperatives, associations, self-help groups, societies and so on. They often join together into networks, federations or movements to struggle for their rights as workers and producers, and to increase their bargaining power with buyers, suppliers, local authorities and national governments.

They may be spawned by, work with, or be part of, a trade union or an NGO, or they may be independent.

Regardless of their form, democratic membership-based organizations promote independence, collective spirit and values, and foster worker identity. They also provide leadership and organizational skills and help increase voice and power.

## Multiple Roles

### Cooperatives play a political and social role

- building democratic organizations and accountable leadership
- mobilizing and engaging workers in the struggle for labour and economic rights
- serving as a stepping stone to legal and social protection, and decent work
- engaging in collective negotiations and advocacy
- promoting women's participation and empowerment
- providing for recognition and higher status of informal workers
- building alliances and supportive networks

### Cooperatives play an economic development role

- forming economic enterprises
- providing employment opportunities and improved livelihoods
- pooling resources and risk
- collectivizing production and marketing of goods and services
- offering training and skills development

### Cooperatives play a service provision role

- providing services their members could not otherwise access (e.g. financial and credit)
- supplying services to the community (e.g. waste collection)

Trade unions and cooperatives share a common set of principles and values, including voluntary participation, democratic structures, solidarity and equality among members. This makes them natural allies in the struggle for realizing the rights and improving the livelihoods of informal workers.

**The four cooperative organizations who are partnering with WIEGO at ICA Expo 2012 demonstrate how struggles undertaken by cooperatives can lead to both economic and social/political gains by workers.**



Cooperatives can mobilize and engage workers in the struggle for labour and economic rights. Photo: Recicla Ourinhos



Cooperatives provide employment opportunities and improved livelihoods. Photo: A. Thavaraj

## Relevant Publication

*The Only School We Have: Learning from Organizing Experiences Across the Informal Economy* by Chris Bonner and Dave Spooner (eds.), WIEGO.

You can download this publication by scanning the QR Code

**All WIEGO publications and resources are available on our website, [www.wiego.org](http://www.wiego.org), and can be downloaded for free.**

