

## Book Review

Calla Hummel (2021) *Why Informal Workers Organize. Contentious Politics, Enforcement, and the State*. Oxford: Oxford University Press. 224 pp. ISBN 9780192847812.  
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*Why Informal Workers Organize* contributes to a growing literature that – unlike previous research – finds that informal and precarious workers do organise (Agarwala, 2013; Sarmiento et al., 2016). At the outset, research on the informal economy broadly focused on explaining its emergence and characteristics (Hart, 1973; Portes and Castells, 1989; Portes and Schauffler, 1993). While this literature identified workers’ drive and ability to build their businesses, it provided an individualistic portrayal of informal workers. Finding that they do not have a distinguishable boss and face difficulties developing an occupational identity, the research tended to assume that they do not organise collectively. Consequently, scholars paid less attention to informal workers’ capacity to organise themselves and negotiate with the state. Hummel’s book is a promising attempt to fill in this gap.

The book poses two compelling questions to advance our understanding of informal workers’ engagement in collective action: “Why do informal workers organize? Why do some street vendors ... start unions, while others ... avoid them?” (p. 2). To answer these questions Hummel studies street vendors’ organisations in Bolivia and Brazil. She argues that “officials’ actions can either encourage informal workers to organize or discourage their participation” (p. 2). The book draws on interviews, surveys, administrative data and ethnographic observations to thoroughly analyse how state capacity influences the organisation of informal workers. Putting the Latin American Public Opinion Project (LAPOP) through a machine-learning algorithm to estimate informality in Latin America is an innovative tool to provide a more accurate assessment of the size and characteristics of this sector in the region. To account for variation, the author compares case studies in Bolivia and Brazil in which “officials ask, direct, or even pay informal workers to organize representative groups to enforce regulations amongst themselves” (p. 12); she also examines case studies where state representatives discourage organisation of informal workers.

The book’s main theoretical contribution is that weak states delegate enforcement to organised civil society to accomplish law enforcement. The enforcement capacity of states, therefore, explains the variation in size and strength of informal workers’ organisations. Hummel argues that in contexts where officials have fewer resources to fulfil their goals and advance their careers, they will encourage street vendors to organise. In La Paz and El Alto in Bolivia, and Princesa Isabela in Brazil, officials gave incentives – such as money or licences – to encourage street vendors in an informal market to organise and help the state comply with the law. States with fewer resources find it difficult to enforce the law alone. Since they need the cooperation of civil society to enforce the law, they promote organisation. On the other hand, in São Paulo, where the state had enough resources to police informal workers and evict them from the streets, officials

chose “to increase inspectors and law enforcement” (p. 13) rather than facilitate the organisation of informal workers.

A crucial empirical finding of the book concerns the second question – that is, why some informal workers organise while others refrain from it. The author argues that individual resources explain variation in street vendors’ engagement in collective action. Hummel finds that “informal workers with more resources – especially education – are much more likely to participate in informal workers’ organizations than their colleagues with less [resources]” (p. 144). Also, organised street vendors are more likely to be licensed than not. The book allows us to think about how internal differences explain variation in the engagement in collective action. Given that a significant proportion of informal workers are women and immigrants, future research should study the role of gender, migration status and race in collective action among precarious workers.

One of the book’s most important contributions is that it demonstrates that informal workers negotiate strategically with the state and that these negotiations are crucial for their organisation. The delegation of enforcement not only produces the organisation of the informal labour force but also “the partial formalization of informal markets” (p. 21). Literature on the informal economy has revealed many difficulties in finding avenues to formalise the informal economy. This finding leads one to think about possible pathways for formalising the informal sector. Related to this, the book provides insights on where it is more likely for informal workers to be prosecuted and criminalised. For example, street vendors are more likely to be harassed if officials have more resources to police and evict them from the streets.

Although the arguments and evidence throughout the book are strong, some questions are left unanswered. I focus here on four of them. First, the reader is left with the impression that informal workers organise only in contexts where officials tell them to do so or provide them with material incentives. But existing research also shows that informal workers mobilise resources and organise themselves to gain state recognition and avoid state harassment (Chun, 2009; Agarwala, 2013; Sarmiento et al., 2016). These studies illustrate that workers’ demands and their involvement with key organisations also help explain why they organise. Thus, it is crucial to consider both state officials’ influence over informal workers, and also workers’ associational and political power.

Second, by focusing only on the role of state capacity, the book overlooks the role of historical legacies. While Hummel argues that officials do not enforce the law because they do not have the economic and material resources to apply it, officials might not enforce the law in contexts in which the structure of the labour market is mostly informal. The internal composition of informal work arguably varies across each city and country. In cities where informality is historically more prevalent, the state will most likely develop a different type of relationship with the informal sector, with enforcement costs becoming political rather than economic. In contexts where informal work constitutes a high percentage of the labour force, officials might find a higher political cost in law enforcement. However, in countries with more industrialisation and a higher rate of formal jobs, the political and economic cost of enforcing the law and evicting street vendors is low.

Third, the author concludes that “[t]hese organizations [of informal workers] improve the lives and jobs of hundreds of thousands informal workers” (p. 162), but this statement lies in tension with one of the book’s main findings. Hummel shows that, actually, street vendors’ leaders and state officials are the ones who benefit the most from organising informal workers through top-down mechanisms. Therefore, the evidence provided in the book does not show how or to what extent informal workers’ conditions improved *after* the partial formalisation of the market, leaving this contradiction unanswered. While one could argue that both dynamics could indeed co-exist, this co-existence is not extensively analysed in the book. An interesting avenue for future research is studying how street vendors’ organisations improve workers’ living and working

conditions.

Finally, Hummel's central argument assumes that officials have incentives to comply efficiently with the law, or at least that this compliance will allow them to fulfil their goals. For example, the author states that "[o]fficials around the world build their careers on successfully completing projects like improving traffic, cleaning up streets, and improving waste collection and public health" (p. 43). However, we also know that personal gain and work stability, among many other factors, also motivate officials in their daily duties. The book does not provide a clear way to explore the incentives among state officials, nor a clear answer to whether these incentives align with the adequate or efficient enforcement of the law. For example, the author shows that corruption plays a key role in negotiations between leaders and officials. But if corruption guides officials' interactions with leaders of informal organisations, the social outcomes do not necessarily lead to compliance with the law – quite the opposite.

These comments do not affect the theoretical and empirical contributions of the book. *Why Informal Workers Organize* is an outstanding work on how to study the complex interactions between the state and the informal labour force beyond Latin America. This book invites us to think about avenues for future research in different contexts around the world. For example, the size and characteristics of the informal economy within a country may influence the type of relationship that officials and informal workers establish. Furthermore, it is important to understand how governments with varying degrees of state capacity control and manage the informal labour force today. Future research should focus on the different mechanisms that governments develop to negotiate, manage and control the growing informal economy. Finally, it is important to study in other contexts how the organisation of street vendors improves workers' living and working conditions, and to think about possible pathways for the economic and political incorporation of the informal sector.

## References

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## **BIOGRAPHICAL NOTE**

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